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Japan

G-7 Urges Tokyo To Stimulate Domestic Demand

OW2702133893 Tokyo KYODO in English 1319 GMT 27 Feo 93

[Text] London, Feb. 27 KYODO—Japan was pressured at a meeting of Group of Seven (G-7) finance officials Saturday to implement fiscal measures for stimulating domestic demand to contribute to world economic growth, French Government officials said. The officials who declined to be identified, also said participating countries predominantly favored the recent appreciation of the yen against the U.S. dollar and other major currencies.

Finance ministers and central bankers of the G-7 nations opened a session at Lancaster House in London on Saturday morning—their first get-together since U.S. President Bill Clinton took office in January. The group consists of Britain, Canada, France, Italy, Germany, Japan and the United States.

The main topics of discussions are macroeconomic policies to revitalize the global economy, policy coordination to stabilize foreign exchange rates, and aid to Russia, informed sources said.

The French officials said Japan came under pressure to take fiscal measures via an additional pump-priming package to trim its snowballing current account surplus, which reached a record 117.61 billion dollars in 1992. The government of Prime Minister Kiichi Miyazawa adopted last August a 10.7 trillion yen economic package centering on public works.

Japanese Finance Minister Yoshiro Hayashi appealed to other representatives for "understanding" of a series of measures taken by the government, including a substantial cut in the official discount rate by the central bank in early February and a stimulative budget for fiscal 1993 now in the Diet, informed sources said. The Japanese central bank slashed the key lending rate by 0.75 percentage point to a postwar record-tying low of 2.5 percent per annum February 4.

The sources said the representatives will agree on the need for coordination of macroeconomic policies to sustain growth of the world economy.

The U.S., which is making efforts to reduce its budget deficit, appealed to other members of the group to help sustain world growth, they said. Washington may also ask Germany to further ease its credit stance, they said.

Japan expressed concern over a drastic rise in the value of the yen, claiming it will not only slow the pace of economic recovery but undermine efforts to trim the country's trade surplus, the sources said. The yen hit a record high of 115.90 to the dollar in New York trading February 22.

They said the representatives may agree on a gradual appreciation of the yen to reflect the country's economic fundamentals.

The sources said the meeting will also discuss ways to stabilize the Exchange Rate Mechanism (ERM) of the European Monetary System, and Britain and Italy will be urged to return to the ERM, from which they withdrew last fall.

The delegates will agree on continued support for Russia's transition to a market economy under the leadership of President Boris Yeltsin, the sources said. The group will express concern that fresh aid to Russia by the International Monetary Fund and rescheduling of its external debt have been held up due to domestic political and economic circumstances, they said.

Tokyo, LDP To Study New Pump-Priming Steps

OW2802103593 Tokyo KYODO in English 0802 GMT 28 Feb 93

[Text] Tokyo, Feb. 28 KYODO—The government and the ruling Liberal Democratic Party (LDP) soon will start considering new pump-priming measures in response to requests from other industrialized countries to boost domestic demand, informed sources said Sunday. The sources in the government and LDP said work on the package will begin after the Diet approves the draft budget for fiscal 1993, which starts April 1.

Japan was pressured by other members of the Group of Seven (G-7) industrialized powers at Saturday's meeting of top financial officials in London to take fiscal measures to expand domestic demand to reduce its huge trade surplus. The sources said the government will make clear its policy of whittling down its current account surplus ahead of the Tokyo summit of the seven rich countries scheduled for July 7 to 9.

Japan's current account surplus hit a record 117.61 billion dollars in 1992.

To stimulate the flagging economy, the government adopted a 10.7 trillion yen pump-priming package last August. The economy remains lackluster, however. In formulating a fresh stimulative package, the government and LDP will consider the "front-loading" of public works spending, housing tax cuts and higher tax credits for energy, labor-saving and environmentally friendly equipment, the sources said. In addition, they will study the possibility of issuing deficit- financing bonds to fund possible income and other tax cuts and a large-scale supplementary budget for the next fiscal year, the sources said.

"A decision may be taken before Prime Minister (Kiichi) Miyazawa departs on a U.S. trip in April," said one official.

Finance Ministry officials, however, remains cautious, saying the fiscal 1993 budget will have the effect of revving up the economy.

Last week, three opposition parties—the Social Democratic Party, Komeito and the Democratic Socialist Party—sought a 4 trillion yen tax reduction.

Mieno: No G-7 Accord on Stronger Yen

OW2802114293 Tokyo KYODO in English 1044 GMT 28 Feb 93

[Text] Tokyo, Feb. 28 KYODO—Bank of Japan Governor Yasushi Mieno said Sunday that no agreement was reached on a stronger yen against other major currencies at Saturday's meeting of top finance officials from the Group of Seven (G-7) industrial countries in London. "The G-7 countries shared the view that the value of their currencies should reflect their respective economic fundamentals," said Mieno at the central bank's head office upon return home from London.

Mieno also reaffirmed his view that stable movements on foreign exchange markets are "desirable." He discounted persistent market speculation that the G-7 nations may have discussed ways to engineer the yen still higher.

The yen hit an all-time high of 115.90 to the U.S. dollar in New York interbank trading on February 22.

The informal "get acquainted" London session at Lancaster House was attended by finance ministers and central bankers from Britain, Canada, France, Germany, Italy, Japan, and the United States.

Mieno gave high marks to the latest G-7 meeting, saying "Each member country took the stand of placing top priority on self- responsibility." "This is what the G-7 finance meeting should be," he said.

Results of G-7 Economic Summit Analyzed

OW2802033193 Tokyo KYODO in English 0314 GMT 28 Feb 93

["News analysis" by Ikuji Nakaya]

[Text] Tokyo, Feb. 28 KYODO—Japan apparently staved off pressures at the weekend Group of Seven (G-7) meeting in London to map out an additional fiscal package and allow a further rise of the yen, an outcome that will have come as a relief to the government in Tokyo. G-7 officials in London indicated there were moderate requests for Japan to introduce a further fiscal stimulus, but Japanese Finance Minister Yoshiro Hayashi told a news conference he was able to gain the understanding of other participants on his negative stance toward further economy-stimulation measures.

Japan, along with Germany, was urged at the one-day meeting of G-7 finance ministers and central bank governors, however, to play its full part in acting as an engine of growth to get the world economy out of its slump. In the face of Japan's annual trade surplus exceeding 130 billion dollars, calls have been growing both domestically and overseas for it to stimulate its recession-hit economy to boost domestic demand and thus boost imports.

In the currency exchange market, the yen surged against the U.S. dollar to a record high in Tokyo on Tuesday amid mounting speculations that the G-7 major economies would agree to push up the yen to trim Japan's mounting trade surplus. In theory, a higher yen should in the long run help restrain the surplus, since it makes Japanese exports less price competitive.

The Finance Ministry, however, argues that given the structural nature of Japan's trade, in addition to what is called the "J-curve effect," there is a tendency in the short term for the surplus to increase when the yen appreciates against the dollar. The J-curve refers to how a change in the value of exports would appear on a graph after a rise in the exporting country's currency.

According to the ministry's latest estimate, a 1 percent appreciation of the yen against the dollar boosts the trade surplus by 1 billion dollars in the short term.

Hayashi said he stressed at the meeting that the government's current priority is early passage by the Diet of the draft budget for fiscal 1993, starting April 1, which focuses on pump-priming. He said he also explained to the meeting the 10.7 trillion yen emergency economic package announced by the government last August. But even though the G-7 did not press Japan to introduce a fresh package, it does not mean that the issue is resolved.

Prime Minister Kiichi Miyazawa is said to have agreed to implement further measures to stimulate the economy and advised the ruling Liberal Democratic Party to study the issue.

Chief Government Spokesman Yohei Kono said Sunday in a television interview that the government will soon have to decide "yes or no" to further fiscal measures, including a possible cut in taxes.

Last week, three opposition parties—the Social Democratic Party, Komeito and the Democratic Socialist Party—called for a 4 trillion yen tax reduction, including cuts in income tax, housing investment levies, and duties on capital spending by small and medium-sized corporations. The reduction should be paid for by floating deficit-financing bonds, they said.

Japanese Trade Minister Yoshiro Mori, in another television interview, said the Ministry of International Trade and Industry (MITI) is preparing to present a possible pump-priming plan, on the assumption that the draft budget wins the Diet's approval. He said a plan for public works spending, aiming to achieve greater efficiency, will be the priority in the new scheme, but if that seems to be insufficient, he said he would support a cut in taxes even if it meant issuing deficit-financing bonds.

Mori also expressed relief over what had been the other focus of attention ahead of the G-7 meeting—the turmoil in dollar-yen transactions. "I'm glad that there was no agreement to strengthen the yen ... Its rapid advance would delay our economic recovery," he said.

He predicted that the bottoming out of the current economic slump in Japan will take place only in the second quarter of this year, rather than in the first quarter as many analysts had anticipated. But he also said the yen's mild appreciation against other major currencies will have positive effects from long-term perspectives.

British Chancellor of the Exchequer Norman Lamont told reporters the G-7 meeting did discuss foreign exchange issues, but declined to elaborate.

A senior Japanese Finance Ministry official had said before leaving for London that should there be any fluctuations in the currency exchange market following the G-7 meeting, authorities "will immediately intervene," possibly in a concerted manner.

Hayashi: G-7 Shows 'Understanding' of Efforts

OW0103034393 Tokyo KYODO in English 0256 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—Finance Minister Yoshiro Hayashi said Monday his counterparts in the Group of Seven (G-7) agreed in a meeting Saturday on stable foreign exchange rates and showed "understanding" of Japan's efforts to stimulate domestic demand. He told the House of Representatives budget committee no agreement was made to guide the yen higher at Saturday's G-7 meeting of finance ministers and central bankers.

"Because Japan alone has a trade surplus among G-7 nations, it is natural for the deficit sides to tell (Japan) to do something," he said. He added, however, "I believe Japan received understanding on its policy management focused on domestic demand."

He also said that his counterparts also showed understanding that the deficit nations bear some blame for the expansion in Japan's current account surplus, implying there was an agreement for efforts by both surplus and deficit nations to correct the trade imbalance resulting from Japan's surpluses.

Miyazawa Cites Adverse Effects of Stronger Yen

OW2602110193 Tokyo KYODO in English 1050 GMT 26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—Prime Minister Kiichi Miyazawa called for the yen's stability Friday, saying that a yen stronger than at present would undermine Japan's domestic demand as well as the world economy.

Speaking at a meeting of the House of Representatives' Budget Committee, he said that Japan should stress the adverse effects of guiding the yen higher at Saturday's meeting in london of finance ministers and central bankers of the Group of Seven industrialized nations. "There are supportable reasons," he said.

Ozaki: No Plans To Redenominate Yen

OW2602105293 Tokyo KYODO in English 1037 GMT 26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—Vice Finance Minister Mamoru Ozaki said Friday his ministry has no plans to redenominate the yen as a means to stimulate the economy and boost consumer confidence. Addressing a proposal by the ruling Liberal Democratic Party to set up a study group to look into the issue, Ozaki told reporters that redenomination carries "many problems, including public acceptance, economic conditions, and technical difficulties."

In reference to the foreign exchange market, he said it needs "watching carefully. We can't tell whether it has regained stability because some nervousness still lingers," he said.

Okinawa Governor Discusses Visit to U.S.

OW2702124793 Naha RYUKYU SHIMPO in Japanese 27 Feb 93 Morning Edition p 1

[Excerpt] The Okinawa Prefectural Assembly, now in its regular February session, continued to hold an interpellation session on the morning of 26 February. During the session Moriaki Ota (from the Okinawa Socialist Masses Party) and Tsuyoshi Uema (both from the Okinawa Socialist Masses Party), Shigemasa Kinjo (from the Prefectural Administration Club), Taiichi Shiraho (from Komeito), and Saku Miyara (from the Japan Communist Party) questioned Okinawa Prefectural Governor Masahide Ota. Answering questions about the timing of his visit to the United States, Governor Ota said: "Our prefectural government is now consulting with authorities about my visit to the United States in late May to early June." As regards U.S. Government agencies he desires to call at, Governor Ota stated: "During my stay in the United States I want to call at the Department of Defense, the State Department, the General Headquarters of the U.S. Marine Corps, and the Command of the U.S. Pacific Forces." Governor Ota also told the session: "I intend to hold an international symposium on peace and war in Okinawa." The Okinawa Prefectural Assembly ended its interpellation session on 26 February and will begin a general question-and-answer session on 1 March.

This is the first time Governor Ota has disclosed the timing of his visit to the United States and the U.S. Government agencies he intends to visit during his stay. Answering questions by Moriaki Ota and Shigemasa Kinjo, Governor Ota said: "I am now working to scale back the U.S. military presence on Okinawa, with a basic policy of making Okinawa free of military bases. Regarding specific requests to the U.S. side, I intend to coordinate them with the Japanese and American authorities concerned." [passage omitted on the construction of new Ishigaki Airport]

Officials Go to PRC To Discuss Sea Incidents

OW2802142293 Naha RYUKYU SHIMPO in Japanese 23 Feb 93 Morning Edition p 23

[Text] Tokyo—The Maritime Safety Agency (MSA) dispatched Takashi Toyama, chief of the Guard and Rescue Department's 2d Guard Division, and three other officials to China on the morning of 22 February. The four officials were sent in connection with the recent spate of incidents occurring in Okinawan coastal and other areas in the East China Sea involving warnings against, shooting at, and inspection of Japanese boats by unidentified boats considered to be of Chinese origin. The officials are to hold the first meeting with Chinese law enforcement authorities on 23 February.

Concerning such incidents, the Japanese Government has gone through diplomatic channels since August 1991 to ask the Chinese Government to prevent the recurrence of such incidents and to investigate the matter. However, it will be the first consultations between the enforcement authorities of both sides.

Noting the complexity created by the overlapping jurisdiction among such Chinese law enforcement organizations such as customs, police, and border guards, the Japanese side intends to request that a single liaison office be set up by these law enforcement units and that a system for on-site communications be worked out. The authorities of both sides will exchange their views, hoping that a decision will be made to coordinate through the use of radio frequencies and special signals. These officials will stay in China until 2 March.

Replying to questions on this issue on such occasions as Diet interpellations, the Foreign Ministry has said that it intends to send a responsible MSA official to China shortly so officials of enforcement agencies of both sides can hold consultations. Through such actions, the ministry hopes to set a good precedent for Japanese-Chinese cooperation. Although the MSA takes a cautious stance because it is still unclear as to how the Chinese side will respond, it plans to send officials to visit not only Beijing but also various local districts to consult with Chinese authorities there.

Moreover, concerning this issue, during the meeting of the Japan-China Fisheries Consultative Committee set to be held 23-24 February in Tokyo, the Foreign Ministry intends to ask the Chinese side to try to prevent a recurrence of the incidents and to cooperate in other concerned matters .

Invitation for Yeltsin to Summit Not Decided

OW0103085193 Tokyo KYODO in English 0835 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—Top government spokesman Yohei Kono said Monday that Russian Foreign Minister Andrey Kozyrev was merely expressing his hopes when he stated that Tokyo would invite Russian President Boris Yeltsin to meet with Group of Seven (G-7) leaders at their summit here in July.

Chief Cabinet Secretary Yohei Kono said that no final decision has been made on whether to invite Yeltsin to the annual summit of industrialized nations.

In a television interview taped on Friday, Kozyrev said, "I can categorically say there will be an invitation." Kono said Kozyrev's comment "reflects his hopes," but denied that it was aimed at pressuring Tokyo.

Japan, which has cooled relations with Moscow since Yeltsin canceled a visit here last September, has said it will decide whether to ask him to the summit in consultation with other G-7 countries.

On Saturday visiting German Chancellor Helmut Kohl said he discussed the possibility with Prime Minister Kichi Miyazawa. Last year Yeltsin attended a similar session at the Munich summit attended by leaders of Britain, Canada, France, Germany, Italy, Japan and the United States.

Kono said he was not informed whether Kohl would convey any message from Miyazawa when he meets with Yeltsin on his way home this week from a five-nation Asian tour.

'Former Japanese': Russians Once Left 2 Islands

OW0103131193 Tokyo KYODO in English 1212 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—Moscow was ready to hand back to Japan two of four Russian-held islands off Hokkaido in 1956 and went as far as evacuating thousands of residents, says a former Japanese who worked as a fisheries interpreter for the former Soviet Union.

Hiroshi Sato said the then-Soviet Government ordered people to leave the islets of the Habomai group and Shikotan island after Japan and the Soviet Union issued the 1956 joint declaration restoring diplomatic ties. In the document, Moscow also promised to return Shikotan and the Habomais to Japan upon conclusion of a bilateral peace treaty.

Sato, 64, a former Soviet Fisheries Ministry interpreter, made the disclosure in recent interviews with KYODO News Service in Tokyo and Niigata. Now a resident of Vladivostok, Sato once acted as Moscow's official interpreter at fisheries talks between the two countries.

Japan has long called for the return of the four Russian-held islands—Etorofu, Kunashiri, Shikotan and the Habomais. They were seized by the Soviet Red Army at the end of World War II.

Sato said he got confirmation of the evacuation when he visited the islands in December 1959 as an official of the Vladivostok-based Far East fishery organization of the Soviet Fisheries Ministry.

Russian statistics show there were 5,443 residents in the four islands as of January 1960. The present population is about 13,800.

"By the time I landed at Shikotan island, almost all civilian Russian residents had vacated, leaving only border guards there," Sato said. "When I landed at Habomai, I saw that most of the residents had left and the remaining few were also packing to leave. "The islanders were very disgruntled with the evacuation order because the government had offered high wages to those who agreed to migrate to the islands in the first place. "But the residents reluctantly accepted the order since they hadn't been there very long.

"Moscow was ready to hand over the islands to the Japanese side, as the remaining border guards could have pulled out of the islands in a single day," he said.

Sato obtained Russian citizenship after 1945. At 21 Sato clandestinely slipped into Sakhalin to find his parents who were stranded there. He was arrested and interned in a Siberian labor camp. He was told his parents had committed suicide.

Released two years later, Sato joined the Fisheries Ministry and was assigned to gather intelligence on Japanese fishing activities in the Far East waters.

Sato visited Japan for four months—his first in 47 years for a reunion with an uncle—in late 1992 and agreed to be interviewed by KYODO News Service in February. He said the Russian islanders returned to the two islands in June 1960 after Japan and the United States concluded revised security arrangements allowing Washington to station bases and troops in Japan.

In January of that year, then-Kremlin leader Nikita Khrushchev wrote to then-Prime Minister Hayato Ikeda, urging Japan to arrange the withdrawal of American forces in exchange for the islands.

Konstantin Sarkisov, chief of the Japanese studies Department of the Russian Academy of Sciences, told KYODO that he also knows about preparations to evacuate the two islands after the 1956 signing of the joint declaration. "The Khrushchev administration seriously considered returning the two islands after a peace treaty was signed and Khrushchev himself once said his administration is ready to return them even before the signing of the treaty if the U.S. forces withdraw from Okinawa," he said.

Russian Official Discusses Soviet Radioactive Dumping

OW2702133493 Tokyo NHK General Television Network in Japanese 1000 GMT 27 Feb 93

[From the "NHK News" program]

[Text] In an exclusive interview with NHK, a Russian Government official investigating the disposal of radioactive nuclear waste at sea by the former Soviet Union stated that over the past 30 years waste has been dumped in ten locations in the Sea of Japan and other Far Eastern waters. The statement was made by Dr. Aleksey Yavlokov, chairman of a special committee established by the Russian Government to investigate the dumping of radioactive nuclear waste at sea by the former Soviet Government. Dr. Yavlokov said that since 1966, nuclear waste was dumped in a total of ten locations in the Sea of Japan, the Sea of Okhotsk, and the sea off the Kamchatka Peninsula. [Begin recording] [Yavlokov speaks in Russian with Japanese subtitles] The former Soviet Union decided to dump radioactive nuclear waste in Far Eastern waters in the 1960's. The waste was dumped into the sea off the Kamchatka Peninsula, the Sea of Japan, and the Sea of Okhotsk. [end recording]

Dr. Yavlokov said two empty nuclear reactors and two small boats holding containers of solid nuclear waste were dumped into Far Eastern waters. He added that radioactive leakage occurred from nuclear waste dumped in Avacha Bay on the Kamchatka Peninsula. Dr. Yavlokov plans to submit a report to President Boris Yeltsin in which he will propose immediate suspension of the disposal of radioactive nuclear waste, implementation of radiation measurement of waters where waste was dumped, salvage of radioactive nuclear waste with high radiation, and construction of dumps on land.

Germany's Kohl Continues Visit

Agrees To Bilateral Forum

OW2702035093 Tokyo KYODO in English 0320 GMT 27 Feb 93

[Text] Tokyo, Feb. 27 KYODO—Japan and Germany agreed Saturday to hold a first dialogue forum on March 11-12 in Berlin to seek ways of improving mutual understanding and new bilateral relations in the post-cold war era, government officials said. The agreement came in a meeting between visiting German Chancellor Helmut Kohl and Prime Minister Kiichi Miyazawa, the officials said.

The "Japan-Germany Dialogue Forum" consisting of leaders of political, financial and government circles will be held once a year in Japan and Germany alternately, they said. Twenty members from Japan, including former Prime Minister Toshiki Kaifu and Shoichiro Toyoda, president of Toyota Motor Corp., are expected to attend the session, the officials said. From Germany, 29 members, including the head of the Free Democratic Party, Otto Graf Lambsdorff, will participate, they said.

Kohl arrived in Japan on Friday for a four-day visit on the fourth leg of a five-nation tour of Asia.

Summit Must Stimulate Growth

OW2702085693 Tokyo KYODO in English 0829 GMT 27 Feb 93

[Text] Tokyo, Feb. 27 KYODO—German Chancellor Helmut Kohl said Saturday he and Japanese Prime Minister Kiichi Miyazawa have agreed on the need for the Tokyo economic summit in July to provide a strong stimulus to world economic growth. Kohl told a news conference the two leaders also agreed on the need to conclude the Uruguay round of multinational trade talks as early as possible.

The chancellor, describing Japan's trade surpluses as a structural problem, said he wants Japan to open its market further.

Kohl, here on a four-day visit through Monday, spoke to reporters at the Japan National Press Club after meeting Miyazawa at the Akasaka State Guesthouse and delivering a speech at Sophia University.

Discusses Suharto's G-7 Request

OW2702061093 Tokyo KYODO in English 0536 GMT 27 Feb 93

[Text] Tokyo, Feb. 27 KYODO—Japanese Prime Minister Kiichi Miyazawa and German Chancellor Helmut Kohl on Saturday discussed Indonesian President Suharto's request to attend the July summit in Tokyo of the leaders of the world's seven major economic powers, Japanese officials said.

During a 140-minute meeting, Miyazawa sought Kohl's view on Suharto's request that he be invited as leader of the Non-Aligned Movement to attend the Tokyo economic summit on July 7-9. Kohl told Miyazawa that Suharto mentioned it to him during their talks shortly before he arrived in Tokyo. Kohl said he told Suharto that the matter should be discussed by all the leaders of the Group of Seven (G-7) countries, the officials quoted him as telling Miyazawa. Kohl also told Miyazawa that Germany needs to show interest not only in European affairs but in other regions and the world as a whole.

In a meeting in Jakarta with Suharto on Wednesday, Kohl promised to discuss the Indonesian request during talks with Miyazawa, Indonesian State Secretary Murdiono said in a briefing. Kohl showed his understanding of Jakarta's call for the promotion of North-South dialogue, Murdiono said.

To Visit Russia After Asian Tour

OW2702044393 Tokyo KYODO in English 0411 GMT 27 Feb 93

[Text] Tokyo, Feb. 27 KYODO—German Chancellor Helmut Kohl said Saturday he will visit Russia for talks with President Boris Yeltsin after winding up his five-nation Asian tour, Japanese officials said. Kohl told Prime Minister Kiichi Miyazawa in a meeting that he will stop off in Russia on his way back to Germany after completing his Asian trip with a visit to South Korea, the officials said. The German leader, who arrived in Tokyo on Friday for a four-day visit, will leave for Seoul on Monday. He has so far visited India, Singapore and Indonesia.

On economic assistance to Russia, Miyazawa was quoted as saying aid to Russia is important for all the Group of Seven (G-7) nations and Japan is willing to do its utmost to provide assistance. Japan has been taking a cautious stance on giving massive economic aid to Moscow because of its territorial dispute with Russia. Japan has made the return of four Russian-held islands off Hokkaido a precondition for such financial support for Moscow.

The leaders agreed that the G-7 nations would discuss inviting Yeltsin to the summit talks, they said. Leaders of the G-7 countries—the United States, Canada, Germany, France, Britain, Italy and Japan—will meet in Tokyo from July 7 to 9 to discuss global issues, including aid to Russia.

Urges Support for Russian Reform

OW2702063593 Tokyo KYODO in English 0606 GMT 27 Feb 93

[Text] Tokyo, Feb. 27 KYODO—German Chancellor Helmut Kohl in talks with Prime Minister Kiichi Miyazawa on Saturday called for continued Western aid to help Russia's reforms and revealed he will meet President Boris Yeltsin in Moscow next week, Foreign Ministry officials said.

The officials said Kohl and Miyazawa reconfirmed in over two hours of talks at the Akasaka Palace that aid and support for democratic and free-market reforms in Russia is a common task of the Group of Seven (G-7) major industrial countries. It was an apparent indication that the issue of Russian aid will figure high on the agenda of the annual G-7 summit to be held in Tokyo on July 7-9.

The officials said the two leaders also agreed to arrive at a consensus among the G-7 countries on whether to invite Yeltsin and Indonesian President Suharto to the summit.

Kohl, who arrived in Japan on Friday for his first official visit in 10 years, told Miyazawa he will be stopping over in Moscow after a visit to South Korea from March 1 to 3. He has so far visited India, Singapore and Indonesia on his current Asian tour.

The chancellor had been expected to urge that Yeltsin be invited to Tokyo for talks with G-7 leaders after their summit as he was at the time of the last summit in Munich in July 1992. But the officials said Kohl merely mentioned the so-called G-7-plus-1 issue, suggesting it be considered by the grouping along with Suharto's request to be invited to Tokyo to represent developing countries in the Non-Aligned Movement. The G-7 comprises Germany, Japan, the United States, Britain, Canada, France and Italy.

Miyazawa was quoted as agreeing with Kohl that the success of Russia's domestic reforms is in the interest of all the G-7 countries. He was quoted as saying Japan has been extending as much aid to Russia as possible to that end. But he said Japan wants Russia to do away with vestiges of "Stalinist diplomacy," a veiled reference to Japan's demand that Russia agree to return four northern islands, seized at the end of World War II, before large-scale economic aid can be offered.

In an apparent desire to see the territorial dispute taken up again at the Tokyo summit, Miyazawa thanked Germany for expressing "support for the Japanese position" by agreeing in Munich to the insertion of a reference to the dispute in the summit's political declaration. But the officials indicated that no such "support" was conveyed by Kohl to Miyazawa, the chancellor merely saying Germany desires to see Russo-Japanese relations move in a "good direction" and that a full normalization of those ties will be considered a "very good thing" by his country.

Conspicuous in the Kohl-Miyazawa talks was the absence of discussion on several major issues, including any in-depth exchange of views on the agenda for the Tokyo summit.

The officials said there was no discussion of Germany's 9.5 billion dollar trade deficit with Japan, recent fluctuations of exchange rates, prospects for the two countries being admitted to the U.N. Security Council as permanent members, or their respective efforts to overcome constitutional obstacles to participate in U.N. peacekeeping activities.

Kohl was quoted as telling the Japanese prime minister that Germany views Asia as a region of great potential. He predicted a strengthening of ties between Europe and Asia in the coming years. Kohl told Miyazawa that while Germany's ties with Japan have traditionally been good, the economic pillar of the relationship should be accompanied in the post-cold war period by stronger political and cultural pillars—what he called a "three-pillar" relationship.

Kohl and Miyazawa endorsed the creation of a new forum for bilateral dialogue, consisting of 50 lawmakers and business and cultural leaders from both countries who will hold their first meeting in Berlin on March 11-12.

The officials said Kohl made a general call for increased Japanese investment in Germany. Only 2.7 percent or about 1 billion dollars out of Japan's total 1991 overseas investment of 41.6 billion dollars went to Germany. Kohl's last official visit to Tokyo dates back to October 1983, though he attended the G-7 summit here in 1986.

At a dinner party hosted by Miyazawa in the evening, Kohl appealed to Japan to collaborate with Germany in enhancing the functions of the U.N. to help it defend global security in the face of a growing number of regional military clashes. "Peace is still facing a crisis despite the end of confrontation between the east and west blocs," Kohl said. "Shocking television images reach us every day from Yugoslavia, Somalia, and other trouble spots," he said.

Seeking to ease Japanese concerns the European Community (EC) may become more protectionist following its January 1 economic integration, Kohl pledged the EC will never be off-limits to non-European traders. The EC market "will never become fortress Europe as long as Germany is located inside it," he said.

Miyazawa, in reply, called on Germany to enhance its cooperation with the Asian region, saying Kohl has just witnessed the area's economic dynamism through his visits to India, Indonesia, and Singapore earlier this week. He said Japan is ready to extend its economic and technological cooperation to bolster the region's prosperity, referring to a policy speech he made in Bangkok in January.

Speaks at Sophia University

OW2702074193 Tokyo KYODO in English 0629 GMT 27 Feb 93

[Text] Tokyo, Feb. 27 KYODO—German Chancellor Helmut Kohl on Saturday called on Japan to throw its economic resources into backing democratization and market-oriented reform in Eastern Europe and the former Soviet Union. "I consider it as necessary that Japan more than hitherto share in the joint western responsibility, adequate to its economic potential," Kohl said in a speech prepared for delivery.

The German chancellor was speaking at Sophia University in Tokyo after being awarded an honorary doctorate there. Sophia University was founded by German Jesuits.

Apparently alluding to a territorial dispute between Japan and Russia over four Russian-held islands Tokyo cites as a major obstacle to its giving full-scale aid to Russia, Kohl said that not only Russia is in need. He pointed to the countries of Eastern Europe, the Baltic republics, as well as the new independent states in central Asia as equally hard up and warned of new waves of refugees and uncontrollable political developments should those countries be left in the lurch.

Kohl said that like during the reconstruction of Europe after World War II, foreign aid should be linked to close cooperation among the recipient countries. "If we all, Europeans, Americans and Japanese join forces and do the right thing now, we have a chance to share in shaping a world with more freedom, stable peace, and a more effective preservation and protection of our natural environment," Kohl said. He said Japan's participation in molding a durable and just peaceful international order is indispensable.

Despite plunging support for European integration after Denmark rejected the Maastricht Treaty, and Italy and Britain left the European Monetary System (EMS), Kohl sees the 12-nation European Community (EC) as "well on its way." "We have attained decisive progress over the last years. The European Common Market with 340 million citizens has been realized this year," Kohl said, adding the EC will continue its course to a common European currency.

He said Germany sticks to the concept of political union and a joint EC foreign and security policy, which would enable "Europe to speak with one voice in all important issues and above all to act in concert."

Kohl showed himself confident that Austria, Sweden, Finland and Norway will be admitted as new EC member states within a few years. "Open markets and free world trade are the basis of growth and wealth," he said, apparently trying to allay widespread Japanese fear of a "fortress Europe" that would keep Japanese products from the lucrative market.

He said Germany will have to provide some 140 billion German Marks or 4 to 5 percent of its gross national product (GNP) a year for the reconstruction of the Eastern German economy. "I am sure the eastern part of Germany will be one of the most modernized industrial sites in Europe. And I am glad that Japanese firms contribute to this reconstruction work," Kohl said. But he added he would like to see much greater activity by Japanese businesses in former East Germany.

Kohl arrived in Tokyo on Friday for a four-day visit. Japan is the fourth leg of a two-week Asian trip that has also taken him to India, Singapore and Indonesia. He will leave Tokyo for South Korea on Monday on the last stop of the Asian trip. He is to stop off in Russia on his way back to Germany for talks with President Boris Yeltsin.

Stresses Joint G-7 Responsibilities

OW2702155493 Tokyo KYODO in English 1540 GMT 27 Feb 93

[Text] Tokyo, Feb. 27 KYODO—German Chancellor Helmut Kohl in talks with Prime Minister Kiichi Miyazawa on Saturday called for continued western aid to back democratic and market-oriented reforms in the former Soviet Union and eastern Europe.

Kohl and Miyazawa, in talks lasting more than two hours at the Akasaka Palace, reconfirmed that aid and support for democratic and free-market reforms in the former Soviet bloc is a common task of the Group of Seven (G-7) major industrial countries. It was an apparent indication that the issue of aid will figure high on the agenda of the annual G-7 summit to be held in Tokyo on July 7 to 9.

Kohl, who arrived in Japan on Friday for his first official visit in 10 years, agreed with Miyazawa on the need for the G-7 summit to provide a strong stimulus to world economic growth, but did not go into detail on concrete measures. The G-7 groups Germany, Japan, the United States, Britain, Canada, France, and Italy.

The two leaders also agreed to reach a consensus among the G-7 countries on whether to invite Russian President Boris Yeltsin and Indonesian President Suharto to the summit.

Kohl, who visited Singapore on the second leg of his five-nation Asian swing, had promised Suharto to submit his request for an invite to Tokyo because he wants to represent developing countries in the Non-Aligned Movement.

Kohl briefed Miyazawa on the process of integration in the European Community and said he expects Sweden, Finland, Austria, and Norway, to join as early as 1995. Seeking to ease Japanese concerns that the European Community (EC) may become more protectionist following its January 1 economic integration, Kohl pledged the EC will never be off-limits to non-European traders.

Conspicuous in the Kohl-Miyazawa talks was the absence of discussion on several major issues, including any in-depth exchange of views on the agenda for the Tokyo summit. Officials said there was no discussion of Germany's 9.5 billion dollar trade deficit with Japan and recent fluctuations of exchange rates.

Apparently trying to avoid the impression of concerted action, the two leaders avoided discussing the prospects of the two countries of being admitted to the U.N. Security Council as permanent members.

They likewise did not touch on respective efforts to overcome constitutional obstacles to take part in United Nations peacekeeping activities. But at a dinner party hosted by Miyazawa in the evening, Kohl appealed to Japan to collaborate with Germany in enhancing the functions of the United Nations to help it defend global security in the face of a growing number of regional military clashes.

Acknowledging that bilateral relations should be put on a broader basis Miyazawa and Kohl agreed to set off an annual dialogue forum with participants from business, culture, and politics. The first meeting will be held in Berlin on March 11-12.

Miyazawa also accepted Kohl's proposal to set up a kind of clearing agency for cooperation in high technology and environmental government agencies of both countries.

Appeals for More Investment

OW2702075193 Tokyo KYODO in English 0613 GMT 27 Feb 93

[Text] Tokyo, Feb. 27 KYODO—German Chancellor Helmut Kohl said Saturday Japan and Germany now bear greater responsibility for the changing world economy. But Kohl did not specify what action the two countries should take when the chancellor and German business leaders accompanying him on a visit here met Prime Minister Kiichi Miyazawa, a Japanese official said.

In talks with Miyazawa, the German business leaders appealed for more Japanese investment in the former East Germany and urged Tokyo to open its market further to help boost imports. They also asked for Japanese Government support for a plan to strengthen safety standards on oil tankers to prevent oil spills in accidents, the official said.

Kohl and Miyazawa, meeting earlier together without the German businessmen, agreed on the creation of a joint committee to study the development of high technology.

Kohl arrived in Tokyo on Friday for his first official visit in 10 years to discuss ways of expanding trade and communication between the two countries.

27 Feb News Conference

LD2702104993 Hamburg DPA in German 0723 GMT 27 Feb 93

[Text] Tokyo (DPA)—The discussion on the reform of the United Nations will resolve itself "in the near future," according to Chancellor Helmut Kohl. At a news conference on Saturday following his meeting with Japanese Prime Minister Kiichi Miyazawa in Tokyo, Kohl said the present composition of the Security Council reflects the global political situation at the time the UN was founded over 50 years ago. The international organization will have to be reformed to improve its chances of keeping the peace.

Kohl added that he also discussed with Miyazawa the question of including Germany and Japan among the permanent members of the Security Council. The chancellor did not want to discuss the details, but he reiterated his view that Germany currently has more important problems to solve.

Kohl energetically defended the Bundesbank against international criticism of its high interest rate policy. Medium and long-term rates in the Federal Republic are at their lowest level for 12 years at around 6.8 percent, and scarcely higher than in the United States. Cuts in public spending and "acceptable wage solutions" will give scope for further interest rate cuts. "I am on the side of the Bundesbank," Kohl said.

Says 'Early' GATT Accord Needed

OW2702122693 Tokyo KYODO in English 1214 GMT 27 Feb 93

[Text] Tokyo, Feb. 27 KYODO—German Chancellor Helmut Kohl said Saturday he and Japanese Prime Minister Kiichi Miyazawa have agreed on the need for a strong stimulus to world economic growth from July's summit of seven economic powers in Tokyo.

Kohl told a press conference that as members of the Group of Seven (G-7), Germany and Japan bear a special responsibility and therefore should have intensive dialogue in a variety of areas. He said the two leaders also agreed on the need to conclude the Uruguay Round of global trade talks under the General Agreement on Tariffs and Trade (GATT) as early as possible.

"I cannot imagine that we will meet again at a summit and declare another time we want a rapid conclusion of the GATT Uruguay Round and again produce no results," Kohl said pointing to the fruitless appeals in several successive summit declarations. He said protectionism is not a means to solve trade problems and the round's failure would illustrate "a complete lack of solidarity" with the developing world.

The chancellor, describing Japan's trade surpluses as a structural problem, said he wants Tokyo to open its market further.

He said as exporting countries, Germany and Japan must support free trade and should keep their own markets open. "Competition yes, fear no," he said, dismissing scenarios of a "Japanese threat" and worries about industrial competitiveness, calling on the Germans to "get up earlier and do a good job."

Kohl said he and Miyazawa intensively discussed the situation in the former Soviet Union and Eastern Europe. He said he pointed out to Miyazawa the negative consequences which would result from a failure of Russian President Boris Yeltsin's reform policy.

"I want to appeal to our Japanese friends to participate actively and intensively in our joint efforts for successful reforms to stabilize democracy and a market economy in all successor states to the former Soviet Union," he said. Kohl confirmed that he and Miyazawa talked about the possibility of Yeltsin coming to Tokyo during the summit for talks with the G-7 leaders like last year in Munich. But he said it's a matter of politeness that Miyazawa, also chairman of the summit, be given the chance to talk the matter over with the other G-7 leaders.

Alluding to Tokyo's territorial dispute with Moscow about four Russian-held islands seized at the end of World War II, Kohl said he understood the Japanese position. Japan has said it will not provide full-fledged financial aid to Russia as long as the issue of the so-called northern territories is not resolved.

"We wish that the existing problems between Japan and Russia can be solved on the basis of law and justice," Kohl said, citing the joint position the G-7 leaders adopted in their July 1992 Munich Summit Declaration. Contrary to Japan, he said, Germany and Russia have already come to terms with their common cold war past with unification two years ago and the last soldier of the remaining former Red Army leaving eastern Germany in about two years.

Kohl said he briefed the Japanese prime minister about the further integration of the European Community and predicted Britain and Denmark will ratify the Maastricht Treaty on economic and political union soon. He said he was convinced that Sweden, Finland, Austria, and Norway will join the 12-nation body as soon as 1995, which would make the EC a community of 380 million people.

He said the July 1991 EC-Japan Declaration on closer cooperation offered a good basis to deal with difficult economic problems, apparently referring to Japan's still swelling trade surplus with the EC that reached 107 billion dollars in 1992.

Kohl said Miyazawa accepted his proposal to set up a kind of clearing agency for cooperation in high technology and environmental technology, bringing together representatives of business and government agencies of both countries. A similar organ was set up during Kohl's visit to Singapore on Tuesday.

Kohl, here on a four-day visit through Monday, spoke to reporters at the Japan National Press Club after meeting Miyazawa at the Akasaka State Guesthouse and delivering a speech at Sophia University. He is scheduled to speak to representatives of the Federation of Economic Organizations (Keidanren) on Monday.

After talks with International Trade and Industry Minister Yoshiro Mori and a meeting with Emperor Akihito, Kohl will fly to Seoul, the last stop of his 12-day five-nation Asian swing, on Monday afternoon. Kohl will be the first foreign guest to meet with the newly inaugurated South Korean President Kim Yong-sam.

Presses Mori on GATT Talks End

OW0103060693 Tokyo KYODO in English 0430 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—German Chancellor Helmut Kohl stressed the importance of concluding the Uruguay Round of global trade talks before the Tokyo summit in July when he met Japanese Trade Minister Yoshiro Mori on Monday. Kohl, who had earlier made a similar call in a breakfast meeting with Japanese business leaders, expressed concern to Mori about the possibility of failing to meet another deadline for concluding the trade round, being held under the auspices of the General Agreement on Tariffs and Trade.

Mori, head of the Ministry of International Trade and Industry (MITI), paying a courtesy call on the German premier, agreed on the need to conclude the talks swiftly, but did not mention any specific moves to (?achieve a prompt conclusion), MITI officials said.

Kohl, referring to the Tokyo summit of the Group of Seven (G-7) industrial nations, said the last two annual summits had agreed to wrap up the trade round by the year-end, but both times had failed to do so. The Uruguay Round, launched in 1986, was due to be completed in 1990, but a "final" meeting in Brussels in December of that year broke down.

Kohl also asked Mori if Japan could expand investment in the former East Germany, which is struggling to rebuild its economy. Mori said Japan plans to send a mission of government officials and private businessmen there to study investment and environmental issues around September or October, but the German leader pressed him to send it earlier, by July if possible, officials said.

Kohl was due to leave for Seoul later Monday on the final leg of a five-nation Asian tour.

Urges Round Conclusion Before July

OW0103060093 Tokyo KYODO in English 0402 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—German Chancellor Helmut Kohl on Monday called for the Uruguay Round trade talks to be brought to a successful conclusion before the July summit in Tokyo. He told Japanese business leaders at a Tokyo hotel that it is important to wrap up the global trade talks before the Tokyo summit of leaders of seven major industrialized nations.

Kohl said it is now insufficient to issue a statement calling for an early end to the trade talks, as was done at last year's summit in Munich. He called on Japanese businesses to invest aggressively in the former East Germany to help promote its development and appealed for Japanese investment in Eastern Europe. Kohl also said Japanese and German enterprises should form a joint panel to develop advanced technologies.

In a question-and-answer session following the speech, Kohl told the breakfast meeting that he expects China's economic reforms to have good effects on political issues such as human rights.

The meeting was sponsored by the Federation of Economic Organizations (Keidanren), the Japan Chamber of Commerce and Industry, the Japan Federation of Employers' Associations (Nikkeiren) and the Japan Foreign Trade Council.

Keidanren Chairman Gaishi Hiraiwa said the business community is willing to join a German-Japanese forum of opinion leaders and businessmen to deepen mutual understanding. Kohl and Prime Minister Kiichi Miyazawa announced the creation of such a forum on

Saturday. Hiraiwa said he expects the forum to help promote mutual understanding in areas including politics, the economy, and culture.

Kohl leaves Japan later Monday for Seoul on the final leg of a five-nation Asian tour.

Optimistic on Stalled GATT Talks

LD0103112393 Hamburg DPA in German 0915 GMT 1 Mar 93

[Excerpts] Tokyo (DPA)—Chancellor Helmut Kohl is convinced that the stalled GATT talks in Geneva will be concluded in good time for the next economic summit in Tokyo. At the end of his four-day visit to Tokyo, Kohl told Japanese International Trade and Industry Minister Yoshiro Mori that he is sure that agreement on a new trade and tariffs treaty would contribute to the decisive success of the summit meeting between the seven leading industrial states (G7) at the beginning of July.

According to government spokesman Dieter Vogel, the chancellor also made it clear that a G-7 conference would lose its credibility if it were not preceded by a conclusion of the GATT talks. He could not imagine that the summit would once again merely demand in a statement a speedy end to the trade talks.

In an audience with Emperor Akihito, the chancellor passed on to the emperor of Japan an official invitation from Federal President Richard von Weizsaecker. According to Japanese press reports Akihito and Empress Michiko intend to visit Germany, Italy, and Belgium in September. [passage omitted]

Minister Mori regretted the absence of Japanese investment in eastern Germany, but announced a visit by a trade delegation in the summer. The delegation is to find out about the current situation in eastern Germany. Kohl invited the group to visit him in Bonn. He again tried to win support for his proposal for German-Japanese cooperation in high-technology and environmental protection. Mori promised that his ministry would examine the initiative to set up a cooperation council.

At a breakfast attended by Japanese industrial associations and the chancellor, the president of the employers' association, Takeshi Nagano, had previously clearly criticized Germany as a location for industry. He had the impression that the Germans were proud of having the highest wages and the shortest working hours. "Our work ethics are growing apart," Nagano complained. The chancellor retorted that a nation cannot always achieve only maximum performance in the economy, "but we are now facing really pressing decisions." It can no longer be accepted that Germany has the shortest machine running times in Europe, he said.

Kohl defended Bonn's open policy toward China. The country's economic reforms will also lead to democratic changes sooner or later. The Federal Government also feels indebted to the Chinese because Beijing recognized at an early stage the right of Germans to live in one state, Kohl said.

Groups Object to Free Pesticides for Cambodia

OW2702141893 Tokyo KYODO in English 1334 GMT 27 Feb 93

[Text] Tokyo, Feb. 27 KYODO—Japan is supplying pesticides to Cambodia that U.N. food specialists say could threaten rice crops by increasing the risk of insect plagues, citizen watchdog groups told a symposium Saturday.

Hirono Azuma, administrator of the Japan International Volunteer Center's Cambodia Office, said she feared the 35 tons of agrochemicals that Japan is supplying as aid could undermine efforts by the Food and Agricultural Organization (FAO) and other groups to promote environmentally-sound agricultural practices in the rebuilding of Cambodia.

Peter Kenmore of the FAO's Integrated Pest Control Program strongly advised against free delivery of pesticides, which he said "must be regarded as a threat to Cambodian rice production," according to an FAO memo made available to Azuma. Kenmore said the organization's experiences in neighboring Asian countries showed that rice harvests actually decreased when pesticides were used that killed the natural enemies of the brown planthopper pest.

"Currently levels of insect pests and diseases in Cambodia are hardly significant, but will become more serious when pesticide use increases," the memo said.

In a separate report, the International Rice Research Institute wrote that "disastrous consequences (of increased use of pesticides) may be expected in terms of abnormal pest outbreaks, farmers' health, and food contamination."

The two groups have advised Cambodian agriculture authorities to introduce integrated pest management (IPM) techniques, which aim at making maximum use of natural predators, and minimum use of pesticides.

Foreign Ministry Official Masaya Fujiwara told the symposium the pesticides are necessary because increasing rice production is urgent. He said it would take too long to wait for FAO to introduce environmentally friendly practices. "If in the future IPM is established, the government is prepared to cooperate," said Fujiwara, deputy director of the Foreign Ministry's Grant Aid Division.

Fujiwara said the pesticides are being supplied in response to a request from Cambodian authorities. He said Japan is training Cambodians on safe handling of the toxic chemicals.

The first delivery has already arrived in Cambodia, he said. "In this case the pesticide is not so much, only 35 tons," he said, responding to concerns expressed by some experts that farmers may get hooked on the chemicals, making it more difficult to introduce natural techniques later.

The pesticides meet Japanese standards, and users will be instructed not to use them during rainy season, when they may run off into rivers and pose a hazard to wildlife, Fujiwara said.

Diazinon, one of the pesticides being provided, is banned in Indonesia. In the United States it is under special review for its effects on wildlife, and has been banned for golf courses because it was identified as deadly to 23 bird species.

The symposium, sponsored by the Japan International Volunteer Center and a coalition of environmental and aid watchdog groups, called for a freeze on distributing the agrochemicals until Cambodian authorities decide on a more comprehensive pesticide strategy.

Ecological pest control techniques were developed about 30 years ago, but have been promoted by some aid organizations only in recent years. Japan has helped support a successful integrated pest management program in Indonesia.

SDPJ Junior Members Urge SDF Recognition

OW0103142793 Tokyo KYODO in English 1347 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—Junior legislators of the country's No. 1 opposition party urged the party leadership Monday to drop its decades-long opposition to the Self-Defense Forces (SDF) and instead to approve of Japan's defense capabilities.

The Leadership 21, a policy study group within the Social Democratic Party (SDP), put forward the proposal in a six-point policy package it filed with the party leadership under Sadao Yamahana. The group, which comprises the SDP's new Diet members, urged the party leadership to declare that the SDF is constitutional.

The SDP has long opposed both the SDF and the security arrangements with the United States, and has claimed the actual situation of the SDF violates the Constitution. Article 9 of the Constitution says, "the Japanese people renounce war...and the threat of or use of force as means to settle international disputes." To attain that goal, "land, sea, and air forces, as well as other war potential, will never be maintained."

The group's policy package allows Japan to use the SDF when the country is attacked within its territories and there are no other means to repel the assault. It, however, restricts the scope of the SDF actions to the country's territories and limits the period of action to the point at which the United Nations takes some action.

The group proposes that the SDF be reduced by more than half from the present 240,000 to some 100,000, which it says is the minimum level capable of maintaining Japan's defense capabilities. It also proposes scrapping all battle tanks and stopping purchases of sophisticated equipment such as Airborne Warning and Control System (AWACS) aircraft which can go beyond Japan's own territories.

There have been recent moves among the governing Liberal Democratic Party (LDP) and opposition parties to review the Constitution in the wake of the end of the Cold War.

The members of the Leadership 21 gained seats in the House of Representatives for the first time in the 1990 general election. SDP Secretary General Hirotaka Akamatsu is also a member of the group.

Nakasone Opposes Consensus Presidential Race

OW0103114593 Tokyo KYODO in English 1019 GMT 1 Mar 93

[Text] Boston, Feb. 28 KYODO—Japan's former Prime Minister Yasuhiro Nakasone said here Sunday that the presidential race for Japan's governing party in September should be contested among several candidates on concrete issues.

Nakasone, who is on a speaking tour of the United States, told Japanese reporters accompanying him that the ruling Liberal Democratic Party (LDP) should not pick its next president through behind-the-scenes maneuverings. He also said that candidates need to spell out their platforms on such issues as reviewing the post-war Constitution, participation in United Nations-initiated peacekeeping efforts, and pump-priming measures to bring Japan out of economic slump.

The LDP presidency carries with it the post of prime minister because of its stable majority in the House of Representatives. Prime Minister Kiichi Miyazawa's two-year term of office as LDP president expires in late September.

Nakasone is said to be gaining influence over the LDP's third largest faction, which he once led, partly because Foreign Minister Michio Watanabe is in hospital.

Watanabe, who replaced Nakasone as faction leader three years ago, has been in hospital since February 15 after a trip to the United States.

Hiroshi Mitsuzuka, leader of the LDP's No. 1 faction who is currently chairman of the party's Policy Affairs Research Council, had earlier said that he would support the reelection of Miyazawa, leader of the No. 2 faction.

Former LDP Secretary General Keizo Obuchi, who heads the fourth largest faction, has proposed that the next LDP president be chosen by consensus within the party.

Touching on Miyazawa's administration, Nakasone expressed dissatisfaction with the cabinet's reluctance to dispatch peacekeepers to Mozambique. He predicted that Japan will face international criticism if it only sends a research mission. "Dispatching Self-Defense Forces there will be a golden opportunity for Japan to demonstrate its interests not only in Asia but in Africa," he said.

Nakasone, who was prime minister from 1982 to 1987, arrived in Washington last Friday for a 10-day speaking tour in the United States.

Kajiyama: No Early Election Before Tokyo Summit

OW2802130893 Tokyo KYODO in English 1244 GMT 28 Feb 93

[Text] Aomori, Feb. 28 KYODO—Ruling Liberal Democratic Party (LDP) Secretary General Seiroku Kajiyama on Sunday dismissed the possibility of Prime Minister Kiichi Miyazawa calling a general election before July, when Japan hosts the summit of seven major industrial countries.

"The dissolution of the House of Representatives will not occur before the summit. The LDP does not have leeway to do so," Kajiyama told a news conference at a Aomori hotel. "I am 100 percent confident that the prime minister will not invoke his authority to dissolve the lower chamber (before that)," he said.

Japanese law mandates that a dissolution of the lower chamber automatically sets off legal procedures for a general election within 40 days.

Kajiyama vowed to place priority on reviving the floundering Japanese economy to meet international calls for Japan to take the lead in helping revive the global economy. "It is crucial for Japan to reinvigorate the Japanese economy prior to the summit and to live up to its international responsibility," he added.

LDP-Backed Governor Defeats Rival in Miyagi

OW2802130793 Tokyo KYODO in English 1233 GMT 28 Feb 93

[Text] Sendai, Feb. 28 KYODO—Incumbent Shuntaro Honma easily defeated a Japanese Communist Party [JCP] opponent Sunday in the election for governor of Miyagi Prefecture. Honma, 53, was backed by the Liberal Democratic Party [LDP], the Social Democratic Party, Komeito and the Democratic Socialist Party.

As of 8:30 P.M., Honma had garnered 333,407 ballots against 46,719 by his 61-year-old challenger Kotaro Takahashi, according to the election management committee. Honma won broad-based voter support by campaigning on a platform of building more industrial infrastructure and giving fiscal stimulus to such industrial sectors as agriculture, forestry and fisheries.

Takahashi went stumping on an anticorruption platform saying, "Honma maintains a cozy relationship with the Liberal Democratic Party, which is tarnished by the money-dominated power politics." But he failed to muster sufficient support from constituents, despite vowing to step up administrative efforts to protect the prefecture's environment and set aside greater public funds for education and social spending programs.

Voter turnout was a record low of 45.32 percent, a decline of 4.24 percentage points from the previous low in 1989, the election management committee said.

LDP's Mitsuzuka Discusses Economic Policies

OW2802062093 Tokyo NHK General Television Network in Japanese 0000 GMT 21 Feb 93

[Editorial report] Tokyo NHK General Television Network in Japanese at 0000 GMT on 21 February carries a 60-minute roundtable discussion. Among the party representatives attending are: Hiroshi Mitsuzuka, chairman of the Policy Research Council of the Liberal Democratic Party [LDP]; Ichiro Hino, chairman of the Policy Board of the Social Democratic Party of Japan [SDPJ]; Nobuaki Futami, vice chairman of Komeito; Hiroshi Kikunami, submember of the Japan Communist Party [JCP] Presidium; and Kansei Nakano, chairman of the Policy Board of the Democratic Socialist Party [DSP]. The moderator, NHK commentator Takashi Yamamoto, asks the attendants to explain their stance toward Diet deliberations on economic stimulus measures and political scandals.

At 0022 GMT, after discussing desirable directions for the Diet's investigation into political scandals, Yamamoto turns to economic issues. In connection with economic stimulus measures, Mitsuzuka shows no definite attitude toward those voices calling for a cut in the income tax, saying: "I will accept the request as one of the opinions."

At 0037 GMT, the discussion turns to the issuance of deficit-covering bonds, Futami and Nakano say is not favorable but necessary in order to stimulate the economy. In response, Mitsuzuka says: "We have to take this issue into consideration from a negative viewpoint and proceed with great caution. Even within the LDP, opinions are still split on whether or not we are supposed to lean on deficit-covering bonds. We must be very careful because deficit bonds hand over the root of the trouble to future generations." Mitsuzuka stresses: "To boost the economy, it is important to enact the fiscal 1993 budget in March."

With respect to tangible measures for boosting the economy, Mitsuzuka says "additional pump-priming packages should be proposed immediately after the enactment of the 1993 budget," and that the package may include a reduction in income and real estate taxes.

At 0053 GMT, when asked about the possibility of an increase in the consumption tax rate, Mitsuzuka adopts a negative stance, saying: "That is very difficult. Since the LDP has been ruling out an increase in the consumption tax, I personally think we should seek other revenues."

When asked about UN Secretary General Butrus Butrus-Ghali's proposal for Japanese participation in operations in Mozambique, Mitsuzuka says: "The final decision must be made by the cabinet and the prime minister. The prime minister has warned that Japan has to carefully deal with the issue. Of course, we work under the premise that contributions to Mozambique are necessary. Meanwhile, we are currently involved in UN operations in Cambodia, which is an important test case. Since other Western nations are somewhat indifferent to Cambodian issues as seen in public opinion polls, it is important for Japan to successfully carry out its operations in Cambodia."

At 0059 GMT, referring to the possibility of unfreezing Japan's participation in UN forces, Mitsuzuka says: "The final decision on this issue should be made in consultations among the LDP, Komeito, and the DSP."

The program concludes at 0100 GMT.

BOJ Says Lending Grew at Record Low Rate

OW2602102493 Tokyo KYODO in English 1008 GMT 26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—Outstanding lending by Japanese banks totaled 506,790.5 billion yen at the end of last year, marking a record low growth rate of 2.2 percent from the previous year, the Bank of Japan [BOJ] said Friday.

The central bank said the slow growth rate reflects continued sluggish fund demand among Japanese corporations. It said that a cut by Japanese banks in their short-term prime rates for institutional customers in December has not had any really positive effect.

Bank lending particularly dropped in manufacturing sectors such as the steel, machinery, and electronic industries.

On the other hand, total deposits fell by 3.9 percent from a year earlier to 411,608.1 billion yen by the end of December. The drop, however, was smaller than the 4.6 percent fall registered in September when the central bank last reported such statistics.

The central bank said that one factor behind the slower savings decline could be that Japanese companies have withdrawn their savings to levels at which they can no longer continue to withdraw.

BOJ Reports Amount of National Fund Shortage

OW2602102593 Tokyo KYODO in English 1009 GMT 26 Feb 93

[Text] Tokyo, Feb. 26 KYODO—The national fund shortage in February amounted to 2,816.5 billion yen, the Bank of Japan [BOJ] reported Friday [26 February]. The central bank said the net banknote issue in the month totaled 569 billion yen while government receipts amounted to 2,247.5 billion yen.

There was a surplus of 462.4 billion yen in February last year because it was the deadline for the redemption of national bonds, the central bank said. Central bank officials said there was no major change in the demand-supply situation for funds because the redemption month for national bonds was changed this year.

LDP Withholds Reply to Demand for Tax Cuts

OW0103063793 Tokyo KYODO in English 0520 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—The dominant Liberal Democratic Party (LDP) withheld its reply Monday to an opposition call for a tax reduction worth 4.26 trillion yen, party officials said. At a meeting of chairmen of Diet affairs committees, the governing Conservative Party reasoned its leadership is still weighing the joint budget revision plan seeking the tax cuts and said it will give an official answer to the demand at another round of talks in the evening, the officials said.

While the LDP hopes to get Diet approval of the 72.35 trillion yen budget bill for fiscal 1993 before the next fiscal year starts on April 1, three opposition parties presented their own joint budget revision plan last Wednesday. The three parties—the No. 1 opposition Social Democratic Party, Komeito and the Democratic Socialist Party—want a specific answer to their demand by the evening session, they said.

The opposition forces also reportedly reaffirmed they will press the demand by boycotting budgetary debate in the diet, depending on the LDP's reply to their joint tax cut call. The three-party alliance insists that the tax reduction, including cuts in income tax, housing investment levies and duties on capital spending by small and medium-size companies, should be covered by issuing deficit-covering bonds.

If the budget is not passed by the April 1 deadline, a stopgap budget must be compiled.

Firm To Cut Back Steel Production

OW0103013093 Tokyo KYODO in English 0049 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—NKK Corp. is considering suspending production of a still-undecided number of galvanizing lines for automobile-use steel sheets and plates at two plants, company officials said Monday. The suspension for an as yet undecided period of time is being considered because a new galvanizing line is scheduled to go into operation at NKK's Fukuyama plant in Hiroshima Prefecture, the officials said. But it is also part of the company's ongoing plans to slash output to cope with falling demand from automakers which are cutting back car production.

"We are already undertaking plans to slim output in the face of slack demand," they said. If it decides to suspend production of the lines, NKK will become the first major Japanese steelmaker to take such action.

The company is planning suspension of galvanizing lines at the Fukuyama plant and at the Keihin mill in Kanagawa Prefecture. But as steel sheets and plates for use in other industries are also processed on the same lines, the company has not yet decided which lines at the two plants to suspend, the officials said.

NKK, expecting stronger demand from automakers, started the construction of the new line with a monthly capacity of 40,000 tons in April 1991, investing 40 billion yen.

Watanabe in Hospital Until 'At Least' 5 March

OW0103124193 Tokyo KYODO in English 1215 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—Foreign Minister Michio Watanabe will stay in hospital at least until Friday, government sources said Monday.

Watanabe, 69, who is also deputy prime minister, has been in the Tokyo Women's Medical College Hospital since February 15 because of poor health stemming from a "cold and fatigue." Doctors earlier said Watanabe needs to be in hospital for one week or two.

Watanabe heads the governing Liberal Democratic Party's No. 3 faction.

Kono Urges WW II POW's To Collect Bonuses

OW0103084093 Tokyo KYODO in English 0716 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—Chief Cabinet Secretary Yohei Kono appealed Monday to some 178,000 former Japanese prisoners of war held in Siberia and Mongolia to apply for 100,000 yen cash bonuses and other rewards before the March 31 deadline.

Some 108,000 of the 284,000 former Soviet prisoners and their bereaved families have yet to claim the cash bonus and a silver cup, valued at 30,000 yen, according to the Prime Minister's Office. The money is provided to prisoners who do not receive military pensions because they do not meet the eligibility requirement of having served 12 years in the former Japanese Imperial Army.

An additional 70,000 out of 189,000 former prisoners who are receiving pensions have not yet claimed silver cups issued in recognition of service.

The government in 1988 introduced the bonus system for the 528,0000 Japanese prisoners captured by the Soviet Red Army in Manchuria, then occupied by Japan, and elsewhere. Of them some 55,000 died in the camps where they were forced to perform hard labor.

A government official said he did not expect many more former prisoners of war to step forward because of the long period that has elapsed since World War II ended in 1945.

Political Parties Support 'Environment Tax'

OW0103132193 Tokyo KYODO in English 1235 GMT 1 Mar 93

[Text] Tokyo, March 1 KYODO—None of Japan's political parties would oppose the introduction of an environment tax, although opinion differs over a timetable for its introduction, a survey showed Monday. The Social and Economic Congress of Japan, a grouping which includes the Federation of Economic Organizations, the Japanese Trade Union Confederation, academics and consumer groups, completed the survey after mailing questionnaires to seven political parties.

An environment tax, a concept frequently mentioned in debate at the U.N.-sponsored Earth Summit in Rio de Janeiro in June last year, would involve government-imposed taxes on environmentally harmful emissions from fossil fuels such as coal and oil. The concept was raised at the summit as a means of discouraging the emission of greenhouse gases and stimulating the development of nonpolluting energy forms. The tax is sometimes called a "carbon tax."

The governing Liberal Democratic Party (LDP), in its response to the questionnaire, said the tax needs to be debated because of fears of its impact on the economy.

The Social Democratic Party (SDP), the largest opposition group, took the view that such a tax should be imposed on the principle of "the polluter pays."

Komeito, the No. 2 opposition party, advised caution, saying the idea of such a tax should be debated as widely as possible.

The SDP and the United Social Democratic Party (USDP) favored early introduction but the Japan New Party said it prefers the tax come into effect only after the economy improves.

Komeito said the timing of the introduction of the tax would depend on when the Japanese people themselves fully appreciate the need for it. The party said this should be tied to progress in the debate over the tax among developed nations.

The LDP, acknowledging that debate on the issue is "necessary," said it "cannot say at this stage" when such a tax should be introduced.

The SDP, Komeito, the USDP and the Japan New Party all took the view that such a tax would depress economic growth to some extent.

The Democratic Socialist Party said the tax would have no impact on the economy.

The LDP said the issue should not be debated on the assumption that environmental preservation and development are incompatible.

The Japanese Communist Party said it favors harmonious development of the economy in keeping with environmental preservation.

North Korea

Government Memo Issued on Reunification Efforts

SK0103110093 Pyongyang KCNA in English 1050 GMT 1 Mar 93

["DPRK Government's Efforts To Reunify Country on Principle of National Independence—Memorandum of DPRK Government"—KCNA headline]

[Text] Pyongyang, March 1 (KCNA)—The Government of the Democratic People's Republic of Korea published a memorandum on the honest and sincere efforts made by it to apply the principle of national independence in reunification, with a view to helping understand the process of peace and reunification on the Korean peninsula today when the situation has become extremely acute with all dialogues deadlocked and the implementation of documents of agreement has been blocked although one year has elapsed since the adoption and effectuation of the agreement on reconciliation, nonaggression, cooperation and exchange between the North and the South and the Joint Declaration on the Denuclearization of the Korean Peninsula.

The memorandum dated Feb. 28 consists of "1. Application of Principle of National Independence in Reunification," "2. Definition of Reunification Formula" and "3. Decade of Reunification."

In the first part, the memorandum says the respected leader President Kim Il-song put forward a new policy of wide-range North-South negotiation, the policy of holding political negotiation with all south Korean political parties including the ruling democratic republican party and public organizations and individual personages, as a measure to make a breakthrough for reunification on August 6, 1971 when it was required that a radical measure should be taken to solve the question of Korean reunification with the Korean nation's own efforts on the principle of national independence in the 1970s.

On May 3, 1972, President Kim Il-song received a delegate of the South side who came to Pyongyang to attend North-South high-level political talks and put forward the three principles of national reunification—independence, peaceful reunification and great national unity.

The principles were so fair and aboveboard that the South Korean authorities were compelled to agree to them.

Thus a historic joint statement based on the three principles was published on July 4, 1972.

Pursuant to the points of agreement in the July 4 joint statement, a North-South coordinating committee was inaugurated and put into operation in November 1972 as a permanent organization for the solution of the reunification problem.

At the three meetings of the North-South coordinating committee, we put forward reasonable proposals for multi-faceted collaboration and the relaxation of military tension including proposals to form five subcommittees, political, economic, cultural, military and diplomaticwn as permanent organizations for collaboration, to stop buildup of armed forces and cut arms, get the U.S. troops withdrawn and sign a peace agreement, and to convene a wide-range political consultative conference of political parties, public organizations and individual personages apart from the activity of the coordinating committee.

The South side, however, turned down all of our side's proposals and insisted on "stage-by-stage unification", arguing that "confidence" had not been built between the North and the South. Moreover, they established the division-oriented "Yusin System" and even took a practical measure to perpetuate the division of the country.

The then chief executive of South Korea published a "special statement" on June 23, 1973, declaring the line of "two Koreas" for freezing and perpetuating the division of the nation their policy.

As a result, a grave obstacle was laid in the way of national reunification and our nation faced the danger of permanent division.

The situation demanded that a new measure be taken to save the country and the nation from the danger of permanent division and accelerate reunification.

President Kim Il-song put forward a five-point policy of national reunification—the removal of milibaty confrontation and relaxation of the tensions and the realization of many-sided collaboration and exchange between the North and the South, the convocation of a great national congress composed of representatives of political parties and public organizations as well as people of all walks of life, the enforcement of a confederation with a single nomenclature and entry into the United Nations with a single nomenclature.

It was a new epoch-making formula to reunify the country by the Koreans' own efforts in keeping with the trend of the international situation toward detente.

No sooner had the five-point policy been published than it evoked warm welcome and support from our nation and the peaceloving people of the world.

The validity and vitality of the policies and proposals for national reunification advanced by the DPRK Government were clearly proved at U.N. General Assembly sessions.

A DPRK delegation was invited without any condition to the 28th session of the U.N. General Assembly in 1973 and participated in the discussion of the Korean question for the first time in history. The session rejected the motion of simultaneous entry of "two Koreas" into the United Nations sponsored by the United States and other Western countries, reconfirmed the three principles of national reunification—independence, peaceful reunification, and great national unity—and adopted a resolution on dissolving the "U.N. Commission for Unification and Rehabilitation of Korea" which had been used as a tool for interference in the Korean question.

The 30th U.N. General Assembly, accepting the reunification proposal of the DPRK Government, adopted with the approval of an overwhelming majority a resolution on replacing the armistice agreement with a peace agreement and withdrawing foreign troops from South Korea proposed by 43 countries.

President Kim Il-song reiterated the proposal for wide-range dialogues, a dialogue with the United States and dialogues with the South Korean authorities and political parties, in his report at a national meeting marking the 30th anniversary of the DPRK founding on September 9, 1978 when the United States and the South Korean authorities were more actively working to push ahead with the policy of "two Koreas."

In the 1970s, the North-South dialogue could not attain its purpose, but a definite condition was created for opening a new phase in national reunification with the North and the South defining the three principles of national reunification as the common principles of reunification.

In the second part, the memorandum says in the 1980s the proposal for founding the Democratic Confederal Republic of Koryo [DCRK] was put forward as a great reunification programme representing the three principles of national reunification, a practical proposal for peace and disarmament to realise it was put forward and a turn was heralded in North-South high-level talks.

President Kim Il-song advanced a new programme of reunifying the country by means of founding a confederal republic at the Sixth Congress of the Workers' Party of Korea held in October 1980.

The great leader President Kim Il-song said:

"Our party holds that the country should be reunified by founding a confederal republic through the establishment of a unified national government on condition that the North and the South recognize and tolerate each other's ideas and social systems, a government in which the two sides are represented on an equal footing and under which they exercise regional autonomy respectively with equal rights and duties."

The main idea of the proposal for reunification through confederation is this:

The confederal government should be formed in such a manner that a supreme national confederal assembly with an equal number of representatives from the North and the South and an appropriate number of representatives of overseas nationals is formed and a confederal standing committee is organized in this assembly. Its function should be to discuss and decide on questions of common concern related to the interests of the country and the nation as a whole. The confederal state should be called Democratic Confederal Republic of Koryo after the name of a unified state that once existed in Korea, reflecting the common political idea of the North and the South. It should be peaceful, nonaligned, and neutral.

This is a great programme of national reunification which would make it possible to solve the reunification problem peacefully and fairly through the shorted and smooth path, neither side conquering the other or being conquered.

The DPRK Government repeatedly proposed reasonable and practical measures to promote reunification through confederation and made persevering efforts to carry them into effect.

It proposed to convene a preliminary meeting to organize a preparatory committee as a measure to realise the proposal of or founding of the DCRK in [word indistinct]

The DPRK Government put forward a proposal to call a conference for the promotion of national reunification in August 1981 to discuss reunification proposals including the proposal for founding the Democratic Confederal Republic of Koryo and called for the convocation of a joint meeting of 100 politicians in February 1982.

The South Korean authorities, however, did not respond to the proposals of the DPRK Government for talks.

The South Korean side, to counter our proposals, brought forward a "formula of national reconciliation and democratic unification" on January 22, 1982.

The "formula" turned out to be nothing but a scheme to legalize and freeze division.

Reiterating the proposal for reunification through confederation in his speech at the banquet arranged in September 1983 in celebration of the 35th founding anniversary of the DPRK, President Kim Il-song proposed the method of operating the confederal government, in other words, the supreme national confederal assembly and the confederal standing committee, the unified government of the confederal state, should elect their co-chairmen from the North and the South and let them chair the bodies alternately.

It was raised as a practical issue to take decisive measures to safeguard peace by averting the danger of a nuclear war and realising disarmament on the Korean peninsula and create preconditions for a peaceful reunification.

A joint meeting of the Central People's Committee [CPC] and the standing committee of the Supreme People's Assembly [SPA] of the DPRK convened on January 10, 1984 proposed to have tripartite talks involving the North and South of Korea and the United States, sign there a peace agreement between the DPRK and the United States and adopt a nonaggression declaration between the North and the South.

When the DPRK Government proposed tripartite talks aimed at actually removing military confrontation on the Korean peninsula, only U.S. authorities opposed it, claiming that "North-South talks should be held first" and "it is desirable to have four-way talks."

The DPRK Government continued to make patient efforts to relax the situation of the Korean peninsula.

With a view to easing the strained relations between the North and the South, through a humanitarian and compatriotic measure, it sent 50,000 soms (a som equals to 4.9629 bushels) of rice, 100,000 tons of cement, 500,000 metres of textiles and a large quantity of medicines to the flood victims of South Korea in September 1984.

After this, talks between the North and the South were resumed in economic, Red Cross, sports and other fields and art troupes and home-visiting groups were exchanged in September 1985 for the first time since the division.

Then, the DPRK Government took positive steps to realise arms cut, the main factor in dispelling the political and military confrontation on the Korean peninsula.

It, in the hope of removing the danger of a nuclear war, released a statement on June 23, 1986 containing a new proposal for the conversion of the Korean peninsula into a nuclear-free, peace zone and put forward a five-point prbposal for a drastic phased arms reduction in a statement dated July 23, 1987.

Then it took a step on July 30, 1987 to unilaterally reduce the Army by 100,000 men.

This arms reduction proposal was put into a more concrete and systematic form by the four principles of peace and a peace package on November 7, 1988 and a drastic arms cut proposal on May 31, 1990.

The efforts of the DPRK Government to pave the way of national reunification in the '80s inspired the entire Korean people with the firm belief that they could surely achieve national reunification in the '90s.

In the third part the memorandum says:

It is intolerable both in view of national independence and in view of the trend of the development of the international situation that the nation's division which began in the '40s continues in the '90s.

It is tolerable to leave the question of integrating the different systems in the North and the South into one to the posterity to solve it gradually and smoothly in the future. But it must not be delayed any longer to establish one unified state of the same nation, transcending the difference in ideology and system.

President Kim Il-song indicated the great principle of reunifying the country by the confederacy formula based on one nation, one state, two systems and two governments and then, with a view to achieving without much difficulty a nationwide agreement on the proposal for founding the Democratic Confederal Republic of Koryo, proposed to complete reunification through confederacy step by step in such a manner as to grant greater powers to the autonomous governments of the confederal republic for the time being and increase the functions of the central government in the future.

The DPRK Government proposed inter-Korean high-level political and military talks in December 1986 in order to promote the process of reunification.

After the effectuation of the historical agreements dialogues between the North and the South were activated and, in this course, annexed agreements in the reconciliation, military, economic and social domains were adopted [words indistinct] and joint committees inaugurated and the sides entered the stage of negotiations for carrying the agreements into practice.

This made the whole nation look forward to the reunification close by.

It was at those days that the United States and South Korea decided to resume the suspended "Team Spirit" joint military exercises and began massing Armed Forces on the Korean peninsula.

As a result, North-South dialogues which had developed to a high stage have been totally suspended and North-South relations have gone back to the original point of confrontation.

The North-South dialogues and reunification process show that it is impossuble to fully solve any problem when a dialogue partner resorts to flunkeyist acts, depending on outside forces, whatever good proposal one side to the dialogue may make and whatever possible efforts it may make to apply the principle of national independence.

If peace is to be guaranteed and the reunification process be continuously promoted on the Korean peninsula, the following problems must be solved first of all under the present condition:

Firstly, the United States and the South Korean authorities must give up the criminal "Team Spirit" joint military exercises.

Secondly, the South Korean authorities must take the road of national reunification on the principle of national independence. The reunification desired by the Korean people is one for achieving national independence, not one for living shackled to others.

Thirdly, the United States must renounce its outdated Korean policy of the cold war era. It is not an attitude to clear away the consequences of the cold war to persist in a one-sided policy, presenting a military threat to and putting economic pressure on the DPRK.

The United States is increasing the unreasonable pressure of "special inspection" on our military facilities even by using the International Atomic Energy Agency. This is a part of the moves to lead the situation on the Korean peninsula to an extreme pitch of strain and destroy our system.

The DPRK is ready to cope with any form of pressure by the imperialists and their stooges.

The DPRK Government expresses the hope that the governments and peoples of all countries who love peace and progress will pay deep attention to the acute situation of the Korean peninsula and extend full support and encouragement to our just struggle for promoting the process of peace and reunification.

Reaction to IAEA Inspection Request Continues

Group Head: 'Countermeasures' Necessary

SK2702003793 Pyongyang Korean Central Broadcasting Network in Korean 2120 GMT 26 Feb 93

[Text] The head of the DPRK delegation delivered a speech at an International Atomic Energy Agency [IAEA] Board of Governors meeting on 25 February.

Referring to the fact that an unjust resolution had been adopted at the current Board of Governors meeting as the Western countries had demanded, he said: This is a challenge to our consistent position to explain inconsistencies through dialogue and negotiations and to the sincere efforts by various governors to avoid confrontation and contribute to easing tension and promoting peace on the Korean peninsula and in Asia. As a result of this resolution being adopted, the IAEA has completely lost its trustworthiness and fairness. By taking forcible measures to pressure our country, the IAEA openly participated in the maneuvers by a hostile country, a warring power, to open up our military facilities and crush our country to death [urinararul apsalharyonun].

Our country is always ready for dialogue. However, we stress that whether dialogue and negotiations will succeed or not totally depends on whether the agency will be fair and will demonstrate the spirit of cooperation. Because the resolution, which forces us to accept special inspections of two military facilities that have nothing to do with nuclear inspection, infringes on our country's security, we will not accept it under any circumstances. As a result of the adoption of this unfair resolution, our country's sovereignty has been flagrantly violated. It is a grave obstacle to the implementation of the Nuclear Safeguards Accord.

In conclusion, he stressed that we have no alternative but to take self-defensive countermeasures to defend our country's sovereignty and best interest.

Ministry Denounces Japan Pressure

SK0103135493 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 1 Mar 93

["Press Statement" by the spokesman of the DPRK Foreign Ministry issued in Pyongyang on 1 March—read by announcer]

[Text] Recently, the Japanese authorities have more indiscreetly kicked off the commotion of a nuclear pressure against us.

At the February Board of Governors meeting of the International Atomic Energy Agency [IAEA] held in Vienna some time ago, Japan persistently put forward the issue of special inspections of our facilities.

In a news conference, while saying that if we refuse to receive special inspections, the issue of resuming the negotiations to normalize Japan-DPRK diplomatic relations will be difficult and that Japan will strongly support the IAEA's efforts to conduct special inspections with the United States, the information department of the Japanese Foreign Ministry let loose unreasonable remarks.

Japan has kicked off such commotions about special inspections of our facilities. This clearly shows that Japan is playing the role of a shock brigade for the United States and other international reactionaries trying to isolate and stifle our Republic.

The Japanese authorities are babbling about special inspections by using our nonexistent nuclear issue as a pretext. This proceeds from Japan's vicious intention to divert elsewhere the world's concern about the Japanese attempt of nuclear armament.

Under the tacit permission of the United States and the world reactionaries, Japan's attempt at nuclear armament is entering a dangerous level. This causes us to naturally keep a sharp lookout for the attempt.

What is more unreasonable is that the Japanese authorities said that if we do not accept special inspections, this will have a grave influence on the resumption of the negotiations to normalize Japan-DPRK diplomatic relations. From the outset, we have not thought of holding the DPRK-Japan talks while receiving any pressure from Japan. In the future also, as long as the Japanese side puts forward the nuclear issue as a precondition, we will never [choltaero] come to the DPRK-Japan talks.

Instead of talking about someone's nonexistent suspicion of nuclear development and about special inspections, Japan should give up its impure attempt to justify the maneuvers to be a military and nuclear power.

If Japan neither looks straight at today's reality nor act with discretion, it cannot but bring about the result that the stone, thrown by itself, will injure its own foot.

DPRK Opposes Japan's Demand

SK0103121293 Pyongyang KCNA in English
1126 GMT 1 Mar 93

["DPRK Will Never Respond to DPRK-Japan Talks as Long as Japan Raises "Nuclear Problem" as Precondition: Foreign Ministry Spokesman"—KCNA headline]

Pyongyang, March 1 (KCNA)—"The Democratic People's Republic of Korea will never respond to DPRK-Japan talks as long as the Japanese side raises the 'nuclear problem' as a precondition," declared a spokesman for the DPRK Foreign Ministry today. His remarks came when the Japanese authorities, hand in glove with the United States, are getting all the more indiscreet in putting pressure on the DPRK to accept a nuclear inspection.

Japan persistently demanded a "special inspection of the DPRK without any ground at the recent February meeting of the Board of Governors of the International Atomic Energy Agency and the press secretary of the Japanese Foreign Ministry impudently told a press conference that if the DPRK refused to accept a special inspection," it would be difficult to resume the DPRK-Japan negotiations on the normalization of diplomatic relations.

The spokesman said:

"Japan's noisy clamor for a 'special inspection' of the DPRK vividly reveals its true color as a shock brigade serving the U.S.-led international reactionaries in their attempts to isolate and stifle the DPRK.

"The Japanese authorities are taking the lead in demanding a 'special inspection' of the DPRK with outcries over the fictitious 'nuclear problem' of the DPRK. They are motivated in this by a sinister intention to divert elsewhere the attention of the world which is focused on Japan's nuclear armament.

"Still more ridiculous is that Japanese authorities said if the DPRK refused to accept 'special inspection', it would gravely affect the resumption of the DPRK-Japan negotiations for the normalization of diplomatic relations.

"From the beginning, we have never had the willingness to hold DPRK-Japan talks under pressure of Japan, nor will we respond to the talks as long as the Japanese side raises the 'nuclear problem' as a precondition.

"Japan should not talk about the 'suspicion of nuclear development' and a 'special inspection' of the DPRK, but give up its sinister intention to justify its moves to become a military power, a nuclear power."

Japan Inspection Call Questioned

SK2702051693 Pyongyang KCNA in English
0500 GMT 27 Feb 93

["Outcries for 'Special Inspection' and Sinister Intention of Japan"—KCNA headline]

[Text] Pyongyang, February 27 (KCNA)—NODONG SINMUN today exposes the ulterior intention of the ruling quarters of Japan to justify their moves to turn their country into a nuclear power while demanding a "special inspection" of the DPRK.

Noting that the Japanese ruling circles, jointly with the United States, are persistently putting pressure on the DPRK, the author of the article says:

At first Japan insisted on an international inspection of the DPRK. But, today when the DPRK is undergoing inspections by the International Atomic Energy Agency, it is noisily demanding a "special inspection", claiming that such an inspection is insufficient. Lurking behind this fuss is its intention to become a military power and a nuclear power and rush headlong toward overseas expansion.

Japan is persistently trying to realise her desire to dominate Asia which it failed to do in the past and seize the hegemony in the world arena.

It is pushing ahead with an overall and composite nuclear strategy involving the development of nuclear technology, stockpiling of nuclear materials, reinforcement of nuclear control and delivery means and deployment of nuclear equipment.

Japan's move to become a nuclear power poses a grave threat to peace in Asia and the rest of the world.

Japan must not run about recklessly in league with the United States.

Daily Rejects IAEA Resolution

SK2802085993 Pyongyang KCNA in English
0847 GMT 28 Feb 93

["MINJU CHOSON Rejects IAEA's Unwarrantable 'Resolution'"—KCNA headline]

[Text] Pyongyang, February 28 (KCNA)—We will not tolerate any strong-arm action and pressure but firmly defend the sovereignty of the country, declares MINJU CHOSON today.

It refutes the unwarrantable "resolution" on a "special inspection" of the DPRK which was adopted at the February meeting of the Board of the Governors of the

International Atomic Energy Agency (IAEA) under the manipulation of the United States.

In a commentary titled "Wanton Encroachment on Sovereignty", the analyst says:

To demand a "special inspection" of the military sites unrelated to the nuclear issue is a wanton infringement upon the dignity and supreme interests of our Republic.

In trying to force a "special inspection" upon us by furnishing "information" on our military sites alien to the nuclear problem to some quarters of the IAEA, the United States seeks to intensify its espionage on the military sites of our country and thus realise its plan for a war against the DPRK.

We can never accept in any case the demand for a "special inspection", a part of the schemes of the imperialists to stifle our republic.

If we open two military sites today, allowing the inspection of military sites which have nothing to do with the nuclear issue, they will demand us to open four military sites and then ten. This will become precedent and the nuclear inspection of the IAEA will pave the way for the execution of the strategy of the United States. Then not only anti-imperialist independent countries but many other countries of the world will fall victims to it.

This tells that the demand for the "special inspection" of our ordinary military sites is a serious matter concerning the defence of the sovereignty of the anti-imperialist independent countries of the third world, to say nothing of our Republic.

The DPRK is an independent state which allows no dominationist demand. It is clear that we will have no other choice but to take an self-defensive measure to defend the sovereignty and the supreme interests of the country against the moves to force the "special inspection".

Japanese Opposition Party Delegation Arrives

SK2802085493 Pyongyang KCNA in English 0816 GMT 28 Feb 93

[Text] Pyongyang, February 28 (KCNA)—Hidenori Sasaki, member of the House of Representatives of Japan from the Social-Democratic Party and secretary general of the party's committee of investigation into forcible drafting of Koreans, and his entourage arrived here Saturday by air.

The guests were met at the airport by O Mun-han, vice-chairman of the Korean Society for Cultural Relations With Foreign Countries.

Daily Says Japan Attempts To Be Military Power

SK2702060593 Pyongyang Korean Central Broadcasting Network in Korean 0025 GMT 25 Feb 93

[NODONG SINMUN 25 February special article: "Military Contribution Is a Road of Disaster"]

[Text] High-level Japanese Government authorities and the ruling Liberal Democratic Party of Japan [LDP] are saying that Japan should make a greater military contribution to international peace and security. In his policy speech on state affairs at a Diet meeting, Japanese Prime Minister Miyazawa said that Japan should increase its contribution to establishing new world order.

Japanese Foreign Minister Watanabe said that Japan should participate actively in world issues commensurate with its economic power. The Japanese defense minister said that the Japan's armed forces basic task should be peacekeeping activities.

The chairman of the LDP political affairs research committee has repeatedly insisted on holding Diet discussions on revising the constitution to enable Japan to participate in UN peacekeeping operations.

In essence, Japan is insisting that it become a permanent member of the UN Security Council by actively participating in the UN military operations for securing peace and that to achieve this goal it must revise the constitution, which is based on Japan's renunciation of war.

Japan considers increasing its military contribution to the United Nations as an imminent, important task. The main purpose of Japan's military contribution is to increase its international military role as well as its military and political influence after becoming a world leader by dispatching large groups of combat troops overseas.

Why does Japan feel that increasing its military role internationally is an imminent task? Because Japan wants to protect its own economic interests overseas and to form its own territory by using arms.

Japan has made economic cooperation the primary target of its international contribution so far. Japan's economic cooperation has focused mostly on Asia, and it helped corrupt dictatorial regimes maintained with its government aid for development, which has ultimately been used to implement the United States' strategy of aggression.

Following this course, Japan has economically infiltrated the broad area of Asia and the Pacific. Japan's economic cooperation has guaranteed its businesses' activities directly or indirectly, and it has backed economic invasion with monopolistic capital. Japan has made its huge economic interest secure through the Asia and Pacific area. Now Japan is trying to rule Asia and the Pacific by adding a military invasion to its economic invasion.

Another reason Japan considers increasing its military role as imminent is because of its ambition to become a military power as well as a political power. As a result, it will increase its voice in and influence on international issues, taking advantage of the fact that powerful countries' have been weakened since the Cold War era ended.

Japan's insistence on actively participating in international issues commensurate with its economic power is aimed at increasing its voice in and influence on international issues by becoming a military power as well as a political power. To this end, Japan is making every diplomatic effort it can to gain permanent membership of the UN Security Council. The Japanese foreign minister said that Japan could be a permanent member of the UN Security Council by commiting more military personnel to UN peacekeeping operations.

Regarding the increase of its military contribution as an important prerequisite to become a permanent member of the council, Japan is trying to dispatch its armed forces. It sent its Self-Defense Forces to Southeast Asia last year, and it is considering sending combat troops on peacekeeping operations in Africa this year. Furthermore, Japan is trying to enhance its military role as a main force unit in future peacekeeping operations.

This is also why Japan actively supports the formation of the United Nations' rapid deployment forces, which is likely to be formed in near future. It is trying to include its armed combat forces in the anticipated UN rapid deployment forces.

Japan is trying to restore the lost honor of past Japanese imperialism and to (?become a power) and world leader using its military contribution as a pretext.

The great leader Comrade Kim Il-song has taught:

For Japan to forget a serious historic lesson and to try to become a military power not only runs counter to the current trend but is also tantamount to seeking a road of self-destruction.

Japan's so-called military contribution poses a grave danger, greatly threatening peace because it relies on military strength to solve disputes. Japan's ruling circles are trying to revise the constitution, which renounces war, in order to increase the military contribution.

The Japanese Constitution includes articles that ban the armed forces to use threat or arms to solve disputes. Japan's attempt to amend its constitution is the same as trying to negate the principle of peaceful solutions to disputes. Japan is enthusiastic about amending the constitution because it wants to eliminate anything that stands in the way of war and that creates favorable conditions for forcing interference and aggressive war upon other countries by wielding military strength at will.

This kind of action contradicts the people's desire and the time's aspiration for a peaceful solution to disputes. The Japanese military contribution is an antipeace maneuver to establish a system under which big nations rule by force. Military contribution is also dangerous because it will accelerate turning Japan into a military power.

The Cold War structure collapsed, and the world is heading for detente. Under these circumstances, the prevailing trend is to cut military spending extensively and to realize disarmament. However, Japan is accelerating its military build-up. Japan, which has been increasing its military budget faster than any other country, plans to spend an enormous amount on its military budget this year. Japan is using military contribution as an excuse to justify its military build-up, while saying that it has a responsibility to maintain international peace and security.

The Japanese Self-Defense Forces emphasize long-distance transportation and assault capability so that it can conduct military operations throughout the world. Based on this strategy, it is accelerating modernization of military equipment, conducting fierce military exercises, and strengthening its combat forces in both quality and quantity. This is nothing more than overseas aggression and preparations for war. Another danger in its military contribution is that it opens a way to arm Japan with nuclear weapons.

The Japanese ruling circles have dreamed of reviving the old colonial empire by rising again and building its strength, while saying that Japan lost the Second World War because it lacked military strength. The military strength is based on nuclear weapons. Arming the Self-Defense Forces with nuclear weapons is Japan's pressing goal for turning Japan into a military power. The Japanese authorities, while braving worldwide criticism and denunciation, are transporting and accumulating large amounts of plutonium. This illustrates its immeasurable ambition to arm itself with nuclear weapons. The development of Japan's nuclear technology and means of delivery has reached first class level. If it wants to do so, Japan can become a nuclear power in a short time.

Japan's ruling circles are enthusiastic about arming it with nuclear weapons because they want to succeed in aggressive ambition by using force, which Japan failed to do before. The new world order for which they hope is an order based on the law of the jungle. Japan is trying to justify military advance aimed at establishing this order under the cloak of international peace.

The slogan of international peace that Japan is shouting today is similar to the slogan "Asia's lasting peace," which the Japanese imperialists used when they militarily invaded and occupied Asian countries in the past. Those who shout military contribution under the slogan of international peace are trying to realize their ambition for domination over the whole world. Their ambition now is greater than their plan to build the Greater East Asian Co-prosperity Sphere in the past. The method for realizing their ambition is more dangerous than the one adopted at that time.

Japan is trying to follow in the Japanese imperialists' footsteps. Japan wants to invade overseas again without liquidating its past crimes. This indicates that Japan is repeating its mistakes.

If Japan truly wants to contribution to world peace, it should not amend its constitution but should respect the principles for solving disputes peacefully and play a positive role in realizing it. It should cancel its plan to dispatch its forces to overseas, enforce disarmament, and give up turning itself into a military power and arming itself with nuclear weapons.

Military contribution will lead Japan to disaster.

ROK-U.S. Joint Military Maneuvers Reported

24 Feb ROK Exercise

SK2802090993 Pyongyang KCNA in English 0851 GMT 28 Feb 93

["NODONG SINMUN on 'Demonstration River-Crossing Exercise' of South Korean Puppet Army"—KCNA headline]

[Text] Pyongyang, February 28 (KCNA)—The South Korean rulers on Feb. 24 mobilized the puppet army in an offensive "Demonstration River-Crossing Operation" to break through a defence line, saying it was for a "success" of the "Team Spirit 93" joint military exercises.

Commenting on this, NODONG SINMUN today says this predicts once again that the "Team Spirit" joint military exercises will be an unusual nuclear attack exercise against the North.

The analyst says:

It is brigandish of the United States and the South Korean authorities to let out outcries over "nuclear suspicion" against the North and resume the "Team Spirit" nuclear war exercises under this pretext and demand even a "special inspection".

It shows that the United States and the South Korean rulers are trying to present a military threat to us and, furthermore, provoke a nuclear war, by taking issue with the "nuclear problem," in a bid to stifle the DPRK advancing dynamically under the banner of socialism.

The "Demonstration River-Crossing Exercise" itself well illustrates the offensive nature of the "Team Spirit 93" joint military exercises against the North.

If the United States and the South Korean authorities think that they can frighten our people with military threat, it is a gross mistake.

They had better discard the foolish attempt and act with discretion.

25 Feb Joint Exercise

SK2702044393 Pyongyang KCNA in English 0429 GMT 27 Feb 93

[Text] Pyongyang, February 27 (KCNA)—The U.S. imperialist aggressors Thursday [25 February] staged a military exercise for a surprise strike at the northern half of Korea in the skies above Anmyon and Oeyon Islets and Pyongchang and Kongju areas of South Korea by mobilizing nuclear-capable F-16s and other warplanes of different types from overseas bases and flying corps belonging to the U.S. Airforce in South Korea and the puppet airforce, according to military sources.

More than 300 warplanes were involved in this war gamble.

In another development, puppet army groups of large-calibre artillery pieces deployed in the areas around Paekyon-ri, Paju County and Chokko-ri, Yonchon County, Kyonggi Province and Chigyong-ri, Cholwon County, South Korean Kangwon Province, showered some one hundred shells on several areas adjacent to the Demilitarized Zone along the Military Demarcation Line.

Puppet army soldiers positioned in trenches near Konsol-ri, Yanggu County, fired hundreds of rounds of large-calibre machine gun and automatic rifle bullets under our eyes.

17-24 Feb U.S. Air 'Espionage'

SK2802085393 Pyongyang KCNA in English 0813 GMT 28 Feb 93

[Text] Pyongyang, February 28 (KCNA)—The U.S. imperialist aggressors Saturday let a U-2 high-altitude strategic reconnaissance plane make a shuttle flight from East to West along the frontline areas adjacent to the Military Demarcation Line [MDL] for an intensive photographing and electronic espionage on the whole areas of the northern half of Korea, according to military sources.

Earlier, on the 23rd and 24th, four U-2s committed an espionage on objects in the strategic depths and targets in the inland of the northern half of Korea, making a high-altitude flight along the MDL areas.

The espionage by this reconnaissance plane totals more than 30 cases in February.

On the 17th and 20th some 20 reconnaissance planes of different types made a shuttle flight from east to west along the areas adjacent to the MDL for an overall espionage on the eastern and western coastal, frontline and inland areas of the northern half of Korea.

In this month, the E-3 early warning plane flew to the skies above South Korea many a time for an espionage on the strategic depths of the North.

A total of over 190 cases of aerial espionage were made by the U.S. imperialist aggressors on the northern half of Korea in February alone.

Nuclear War Danger Viewed

SK0103051493 Pyongyang KCNA in English
0424 GMT 1 Mar 93

["Nuclear Holocaust Must Not Be Repeated"—KCNA headline]

[Text] Pyongyang, March 1 (KCNA)—Bikini Island where the United States made an H-bomb test on the first of March 39 years ago gives a serious lesson to the people that the nuclear scourge must not be repeated and, to this end, a powerful struggle must be waged to remove the danger of a nuclear war, says NODONG SINMUN today in an article dedicated to day of Bikini.

Noting that the imperialist reactionary forces are today still threatening mankind with nuclear weapons, going against its desire for peace, the author of the article says:

The United States, in an attempt to gratify its aggressive desire in Asia, has deployed a huge amount of nuclear Armed Forces in this region and is resorting to military threat and blackmail against the people. It is bringing dark clouds of nuclear war over the Korean peninsula while frantically staging the "Team Spirit 93" joint military exercises in South Korea.

Nuclear threat is being created by the Japanese ruling quarters, too. Japan is promoting nuclear strategy in real earnest, securing more nuclear materials than needed and reinforcing nuclear control and delivery means.

Now the Japanese ruling quarters, in chorus with the United States, are demanding a "special inspection" of the DPRK. This is intended to justify their move to turn Japan into a nuclear power.

The Japanese ruling quarters must act with discretion, not forgeting the historical lesson.

It is the common task of the world people to frustrate the nuclear war manoeuvres of the imperialist reactionary forces and build a peaceful new world free from nuclear weapons, stresses the article.

WPK Delegation Visit to Cambodia Reported

Welcomed by Chea Sim

SK2702034493 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 25 Feb 93

[Text] A Workers Party of Korea [WPK] delegation led by Comrade Yi Chong-ok, member of the Political Bureau of the WPK Central Committee and vice president, arrived in Phnom Penh on 24 February to visit Cambodia.

Flags of our country, the Cambodian Supreme National Council, and Cambodia were flying from flag poles at the airport, where the delegation was received by Chea Sim, chairman of the Cambodian People's Party Central Committee; Politburo members of the party Central Committee; functionaries concerned; and our country's ambassador to the Cambodian Supreme National Council and embassy staff.

About 1,000 people also welcomed the delegation at the airport.

A welcoming ceremony was held at the airport. The national anthems of our county and the Cambodian Supreme National Council were played. Then the head of the delegation and Chairman Chea Sim watched as honor guards of the army, navy, and air force passed in review.

Meets Peoples Party Delegation

SK2702102693 Pyongyang KCNA in English
1013 GMT 27 Feb 93

[Text] Pyongyang, February 27 (KCNA)—Talks were held in Phnom Penh on February 25 between delegations of the Workers' Party of Korea [WPK] and the People's Party of Cambodia [PPC].

Present on the Korean side were the members of the WPK delegation led by Yi Chong-ok, Politburo Member of the C.C. [Central Committee], the WPK and vice-president, and the Korean ambassador to the Supreme National Council of Cambodia, and on the opposite side were Chea Sim, chairman of the C.C., the PPC, and officials concerned.

At the talks the two sides informed each other of their countries' situation and discussed the friendly relations between the two parties.

"We highly appreciate the brilliant achievements made by the Korean people in all spheres by thoroughly applying the chuche idea under the wise guidance of the great leader His Excellency Generalissimo Kim Il-song and the dear leader His Excellency Marshal Kim Chong-il," Chairman Chea Sim said.

He expressed his belief that the Korean people's cause of national reunification would surely be achieved.

The talks proceeded in a friendly atmosphere.

Meets With Hun Sen

SK0103073393 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 27 Feb 93

[Text] A delegation of the Workers Party of Korea [WPK] led by Yi Chong-ok, member of the Political Bureau of the WPK Central Committee and vice president, met with Cambodian Premier Hun Sen on 25 February.

At the meeting, the head of the delegation delivered greetings from the great leader Comrade Kim Il-song and dear leader Comrade Kim Chong-il to Premier Hun Sen.

The premier expressed deep gratitude and asked the delegation head to convey his heartfelt greetings for longevity to the great leader Comrade Kim Il-song and dear leader Comrade Kim Chong-il.

The premier said that he actively supports the WPK which is victoriously accelerating socialist construction after achieving the single-hearted unity between the leader, the party, and the masses.

The premier emphasized that he completely supports the method of Korea's reunification presented by the great leader Comrade Kim Il-song.

Received by Sihanouk

SK2802090593 Pyongyang KCNA in English 0833 GMT 28 Feb 93

[Text] Pyongyang, February 28 (KCNA)—Samdech Norodom Sihanouk, head of state and Chairman of the Supreme National Council of Cambodia, received a delegation of the Workers' Party of Korea [WPK] headed by Yi Chong-ok, Politburo Member of the Party Central Committee and vice-president, on February 25.

Samdech Norodom Sihanouk said that nine million Cambodian people were greatly encouraged by the benevolent words and care of the great leader His Excellency Generalissimo Kim Il-song and the dear leader His Excellency Marshal Kim Chong-il.

"The great leader His Excellency Generalissimo Kim Il-song has built the DPRK into the best earthly paradise in the world," he said. "He enjoys the high authority and prestige in the world."

Saying that Korea could repulse the interference and threat of anyone as she has the inexhaustible strength of singlehearted unity around the great leader His Excellency Generalissimo Kim Il-song and the dear leader His Excellency Marshal Kim Chong-il, he referred to the brilliant achievements in Korea.

Voicing full support to the struggle of the Korean people for the reunification of their country, he demanded the withdrawal of the U.S. troops from South Korea and opposed outside interference in the Korean affairs and the unjustifiable "nuclear inspection" of the DPRK.

He denounced the "Team Spirit" joint military exercises of the United States and the South Korean authorities, saying they were a threat to Korea.

"The friendship and solidarity between the peoples of Cambodia and the DPRK will be everlasting," he said.

Samdech Norodom Sihanouk arranged a dinner for the WPK delegation.

Meets FUNCINPEC Chairman

SK0103085993 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 28 Feb 93

[Text] Norodom Rannaridh, chairman of the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia (FUNCINPEC) and member of the Supreme National Council of Cambodia, met the Workers Party of Korea [WPK] delegation led by Comrade Yi Chong-ok, member of the WPK Central Committee Political Bureau and vice president, on 26 February.

At the meeting, the head of the delegation conveyed the greetings from the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il to Chairman Norodom Rannaridh. The chairman expressed deep gratitude for this and requested the head of the delegation convey to the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il his heartfelt greetings wishing them long life. Chairman Norodom Rannaridh arranged a banquet for the WPK delegation that day.

The chairman, in a speech at the banquet, expressed his feelings of respect and admiration for the great leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il and said: Today Korea has turned into paradise on earth which the world admires. It has turned into an invincible power and an independent power. No foreign force can challenge its dignity under the wise leadership of the great leader Generalissimo Kim Il-song. We fully support the reunification formulae put forth by the great leader Generalissimo Kim Il-song. We think the Team Spirit-93 joint military exercise conducted by the United States and the South Korean authorities is a dangerous war maneuver that threatens peace in Korea and Asia and we resolutely denounces it.

The chairman proposed a toast to the long life and good health of the great leader Comrade Kim Il-song and the long life and good health of the dear leader Comrade Kim Chong-il.

KCNA Reviews NODONG SINMUN for 1 Mar

SK0103062493 Pyongyang KCNA in English 0523 GMT 1 Mar 93

[Review of NODONG SINMUN]

[Text] Pyongyang, March 1 (KCNA)—NODONG SINMUN today reports that foreign papers reported the great leader President Kim Il-song's letter "Young People Must Honourably Accomplish the Revolutionary Cause of Chuche Upholding the Leadership of the Party."

An article of the paper says that the stategic policies set forth by President Kim Il-song at the Nanutou meeting (February 27-March 3, 1936) were a militant banner that brought the anti-Japanese national liberation struggle in Korea centered in the anti-Japanese armed struggle to a great upsurge. Immortal classical works of the dear leader comrade Kim Chong-il are disseminated and deeply studied in foreign countries says the paper.

The paper reports that Comrade Kim Chong-il extended thanks to the builders of the sulphuric acid production system of the September 21 smelter and workers, technicians and officials who have performed feats in the maufacture and assembly of the equipment. Printed in the paper are message of greetings to Comrade Kim Chong-il from foreign party leaders on his birthday.

Appearing in the paper is an article marking the 20th anniversary of "On Consolidating and Developing Successes achieved in the Creation of Revolutionary Operas," a concluding speech of Comrade Kim Chong-il at a seminar of President Kim Il-song's artistic and literary ideas on the development of revolutionary operas. Appearing in the paper are repercussions evoked upon the world public by immortal classcal works of Comrade Kim Chong-il "The Historical Lesson in Building Socialism and the General Line of Our Party" and on the fundamentals of revolutionary party building." The daily editorially calls for accelerating national reunification under the banner of national independence on the occasion of the 74th anniversary of the March first popular uprising which is of enormous importance in the history of the anti-Japanese national liberation movement in Korea.

Econews of the paper includes reports about the fulfilment of the February assignments by the Kimchaek Iron and Steel Complex, the Pyongyang Textile Combine, the South Hamgyong Provincial district coal mining Complex and other units of the national economy and preparations for farming of co-op farms

The paper deals with beautiful traits of unity between working people and people's army soldiers in Korea.

The paper informs the readers that talks between Korean and Cameroonian government delegations were held in Pyongyang, the Korean ambassador paid a courtesy call on the prime minister of the Equatorial Guinean transitional government and a Korean book exhibition was held in Egypt.

The paper carries the DPRK Government's memorandum "Efforts of the Government of the Democratic People's Republic of Korea to reunify the country on the principle of national independence."

The paper says that the U.S. imperialist aggressors committed air espionage on the North.

Comrade Fidel Castro declared that Cuba would overcome hostile acts of the United States, says the paper.

The paper conveys foreign media reports that "special inspection" of the DPRK could not be allowed.

In an article titled "World Stands on the Side of Justice" the paper reports about world public tone supporting the principled stand of the DPRK against "special inspection".

The paper conveys the voice of the Japanese people of all walks of life strongly demanding an early normalisation of Japan-DPRK diplomatic relations.

It carries an article titled "Nuclear Holocaust Must Not Be Repeated" on day of Bikini.

It deals with achievements of Laos, India and Bangladesh in economic construction.

KCNA Reviews 27 Feb Pyongyang Press

SK2702053993 Pyongyang KCNA in English
0451 GMT 27 Feb 93

[Press review]

[Text] Pyongyang, February 27 (KCNA)—Papers here today carry a message of greetings sent by Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, to Mohamed Abdelaziz, president of the Saharan Arab Democratic Republic and secretary general of the Polisario Front, on the occasion of the 17th anniversary of the proclamation of the republic.

NODONG SINMUN reports that the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il extended thanks to the participants in an evening of Pyongyang youth and students "Song of Singlehearted Unity Sung by the Young Vanguard" held to celebrate the 8th Congress of the League of Socialist Working Youth of Korea.

Comrade Kim Chong-il's works were widely disseminated and studied in foreign countries, says the paper.

Carried in the paper are messages of greetings to Comrade Kim Chong-il from foreign party leaders on his 51st birthday and letters of thanks to him from the secretary general of the United Left Movement of Dominica and the chairman of the March 26 Movement of Uruguay who had visited Korea.

Thanks of the Central Committee of the Workers' Party of Korea was conveyed to the members of the veteran party members' subworkteam of the state-run farm where Kim Tong-sok works, says the daily.

Econews of the press includes reports about successes in various branches of the national economy including production of coal and chemical fertilizers.

NODONG SINMUN editorially calls for further strengthening education in the chuche idea.

The paper gives an account of a European regional seminar of the chuche idea on the present times and independence of Europe held in Paris and keynote reports made there.

The daily informs the readers that talks between the delegations of the Workers' Party of Korea and the People's Party of Cambodia were held in Phnom Penh.

Under the title "For the Party and the Leader and for the Society and Collective!" the paper introduces beautiful communist deeds of working people who share weal and woe, helping and leading each other forward.

The head of the DPRK delegation stated that "we have no other choice but to take a self-defensive countermeasure to defend the sovereignty and supreme interests of our country" in connection with the fact that an unreasonable "resolution" against the DPRK was adopted at the February meeting of the Board of Governors of the International Atomic Energy Agency, says the press. Seen there are reports that the proposed illegal "special inspection" was categorically rejected in different countries.

Papers carry the answer given by a spokesman of the foreign ministry of the DPRK to a question put by KCNA regarding a new material proving that South Korea had a plan to complete A-bomb production and announce it already in 1981.

NODONG SINMUN in a commentary says the demand of South Korean people of all walks of life for a prompt solution of the repatriation of old man Yi In-mo, a former war correspondent of the Korean People's Army who is now in a critical condition due to serious illness, is a due humanitarian requirement.

Foreign delegates exposed the interference of the United States and Western countries in other's internal affairs at the "international conference on human rights and democracy in Africa," according to the press.

Dailies introduce the Saharan Arab Democratic Republic on the 17th anniversary of the proclamation of the republic.

NODONG SINMUN carries an article exposing the ulterior intention of Japan to justify its moves toward a nuclear power by launching a "special inspection" clamor against the DPRK.

South Korea

'Planned' Kim Chong-il PRC Visit Said Postponed

SK2702083293 Seoul YONHAP in English 0819 GMT 27 Feb 93

[Text] Seoul, Feb. 27 (YONHAP)—North Korea has recently notified China that they were postponing Kim Chong-il's planned visit to China indefinitely due to their internal and external situations, it was learned here Saturday. Kim Chong-il, the son of and heir to aging President Kim Il-song, was originally set to visit China beginning March 8.

"It has been confirmed that North Korea has notified the Beijing government of the indefinite postponement of Kim Chong-il's visit on the ground mainly of the Team Spirit military exercise," a government official said. The official said the actual reason for the postponement was known to be the failure to hammer out itineraries satisfactory to North Korea. China and North Korea initially agreed that Kim Chong-il would visit Jilin and two other northeastern Provinces. Later, however, North Korea asked for and gained the addition of Beijing to the areas to be visited, according to the official.

Going a step farther, he said, North Korea wanted that Kim Chong-il would be given opportunities to meet with Chinese leader Deng Xiaoping and President Yang Shangkun, a suggestion which China rejected to prompt Pyongyang to call off the visit. Kim Chong-il was initially set to visit China for one week beginning March 8 to have talks with Chinese leaders and tour major industrial facilities there.

Germany's Chancellor Kohl Begins Visit

Kohl Arrives 1 Mar

SK0103084093 Seoul YONHAP in English 0820 GMT 1 Mar 93

[Text] Seoul, March 1 (YONHAP)—German Chancellor Helmut Kohl arrived here Monday for a three-day visit at the invitation of South Korean President Kim Yong-sam. Kohl, the first German chancellor ever to visit Seoul, is scheduled to have a summit with his host Tuesday morning and tour the truce village of Panmunjom and another village in the middle of the demilitarized zone separating the two Koreas in the afternoon.

The two leaders are expected to discuss ways to expand economic cooperation, including Bonn's transfer of advanced technologies to Korea and measures for Korean companies to invest in former East Germany, during the summitry. Also on the agenda are a German participation in Korea's multibillion U.S. dollar high-speed railway project linking Seoul and Pusan, an informed source at the Foreign Ministry said. The two leaders will also exchange views on unification of Korea. Kohl is expected to deliver to Kim experience and lessons Germany has learned on unification, the source said.

Kohl is scheduled to give a speech at the National Assembly before leaving Korea Wednesday.

Implications of Visit Viewed

SK0103094493 Seoul YONHAP in English 0825 GMT 1 Mar 93

[Text] Seoul, March 1 (YONHAP)—The visit to Seoul of German Chancellor Helmut Kohl on Monday has a variety of implications for South Korea, now with a genuine civilian government, and Germany at a time when international community is seeking for a multifaceted new order in the post-cold war era. For South Korean President Kim Yong-sam, who was sworn in as president on Feb. 25, the visit, the first by a foreign leader, may work as a good opportunity for him to demonstrate his unswerving will for national unification. Kim may also obtain experiences of great value for unification from the German chancellor who has witnessed the breakdown of the berlin walls and reunification during his tenure.

The visit, the first of its kind by a German chancellor to Korea, is also viewed to help the two countries further cement bilateral relations in almost all sectors including political and trade fields. Korean ambassador to Bonn Sin Tong-won summarized the significance of the visit as the meeting of a country which has realized unification and one aspiring it and furtherment of political and economic ties between a leading European country and a front-running newly industrializing country in the Asia-Pacific region.

In the summit scheduled for Tuesday, President Kim and Kohl are expected to exchange a wide range of issues of mutual concern and seek ways to further develop their existing friendly ties. On the agenda are German support for Seoul's unification policy, international cooperation related to North Korea's suspected nuclear development program, economic collaboration between Korea and the European Community [EC] and the German bid to win the multibillion-U.S.-dollar high-speed railway project in Korea.

Diplomatic observers here view that Kohl is expected to deliver to Kim live experiences on unification that have led to the collapse of the confrontational structure between the west and the east. Kohl will also, the observers say, present Kim with lessons his country has learned from problems generated by the unificiation, which they say may help Korea in execution of the unification policy. Noteworthy is that Kohl's visit to the truce village of Panmunjom and an address to the National Assembly are known to contain messages that keep Koreans confident of unification. Kohl has advised the Korean Government and its people to be patient for unification while visiting Japan.

What draws most concern, more than anything else, is the high-speed railway project, the only pending bilateral issue. Seoul officials concede that the purpose behind the visit is related to the project which has been drawing hectic competition between Germany and France for the slice, sparking speculation on the part of the French that the visit might help Bonn gain easier access to it. The officials, however, note that the Bonn government has so far been somewhat "prudent" compared with the Paris government in lobbying for the project, adding that the visit should focus on seeking ways to further consolidate bilateral relations rather than concentrating on the railway issue.

Envoy to Germany Previews Visit

SK2702033293 Seoul YONHAP in English 0244 GMT 27 Feb 93

[Text] Seoul, Feb. 27 (YONHAP)—German Chancellor Helmut Kohl arrives in Seoul on Monday in the first visit by a German leader for the first summit of Kim Yong-sam's presidency. Kohl comes on the three-day trip accompanied by some 20 prominent businessmen as part of an Asian tour intended to boost trade relations with countries outside Europe. The chancellor's itinerary include India, Sri Lanka, Indonesia, Japan and South Korea. He will meet with Kim on Tuesday and hold a press conference. He will talk with Korean business leaders at a breakfast meeting the following day and address the National Assembly on Germany's experiences in national reunification.

"This summit will be a meeting of emerging regional powers in Europe and Asia," Korean Ambassador to Bonn Sin Tong-won said. Sin has temporarily returned to Seoul for Kohl's visit. Germany has the second largest trade volume in the world after the United States and is Korea's largest trade partner in Europe. "German businessmen may have bigger trade figures with Japan, but they are on competitive terms, too," Sin told a news conference. "South Korea can become a valuable partner under such circumstances, and Germany can show the way for South Korean businesses' entry to the European continent."

On Germany's bid to win the multibillion U.S. dollar high-speed railway project in Korea, Sin said Bonn had emphasized its superiority in technology and in scope of technology transfer. "Unlike other nations, private businesses, not the government, are in charge of the contract. But the government is very intent on them getting the project," he said.

DPRK Delegation in Southeast Asia Seeks Aid

SK0103114393 Seoul YONHAP in English 1132 GMT 1 Mar 93

[Text] Beijing, March 1 (YONHAP)—An economic delegation from North Korea led by Kim Chong-u, a vice external economic affairs minister, has been touring Southeast Asian countries to seek economic cooperation since last month, a Western diplomatic source here said Monday. Pyongyang is said to have turned to Southeast Asia for economic support after relations with South Korea, Japan, and Western countries became sour over North Korean nuclear issue. The North Korean economic team has been touring Vietnam, Thailand, and Hong Kong since around Feb. 10 at the expense of a large Japanese firm, the source said.

"The motive behind the visits to these countries has not been clarified but can be understood as efforts to find economic partners in Southeast Asia in place of South Korea after the freeze in inter-Korean relations due to nuclear suspicion in North Korea and joint Seoul-Washington Team Spirit military exercises," the source explained. The source, however, did not know exactly which Japanese company was paying for the trip.

The North Korean delegation is due to stop in Beijing on Tuesday and meet with ranking Chinese Government officials to request economic aid for its country, the source said. After touring Hainan Province and Guangzhou, the team is expected to visit Indonesia, Singapore, and Sri Lanka to seek economic cooperation at the expense of General Agreement on Tariffs and Trade (GATT) and the International Trade Commission (ITC). The delegation will head back to Pyongyang on March 27 via Beijing, the source added.

Diplomats Receive DPRK Tourism Guidebooks

SK0103034893 Seoul HANGUK ILBO in Korean 1 Mar 93 p 2

[Text] North Korea is actively seeking foreign tourists by sending English language tourist guidebooks introducing North Korea's tourist attractions to Western diplomats stationed in Beijing.

It seems that North Korea is attempting to open up tourism, by way of experiment, to break through its serious economic crisis and to avoid being isolated from international society. It will likely open itself up gradually based on results of this experimental opening.

A Western diplomat said on 27 February that "on 25 February North Korea sent an English-version tourist guidebook entitled 'Welcome to Korea' which introduced North Korea's tourist attractions. The book carried the signature of Pak Kyong-nam, representative of the state-run Korea International Travel Agency." Then he added that "North Korea has used Chinese travel agencies once or twice in the past to get foreign tourists to visit. It is the first time, however, for it to target Western diplomats to visit as tourists."

DPRK Said to Demand Czechs Leave Commission

SK2802023693 Seoul CHOSON ILBO in Korean 28 Feb 93 p 2

[YONHAP from Tokyo]

[Text] In a report file from Beijing, quoting Pyongyang-based East European sources, KYODO reported on 27 February that North Korea recently demanded that four Czech soldiers who are members of the Neutral Nations Supervisory Commission [NNSC] at the South-North Military Demarcation Line leave by 10 March. It also reported that North Korea is restricting their freedom of movement and actually has them in custody. According to a source, the Czech Republic is assuming the role of the former Czechoslovakia. However, through the Czech Embassy in Pyongyang, North Korea on 12 January gave them notice to quit, saying that "the Czech Republic has no power of representation."

Then, learning that Switzerland, Sweden, and Poland oppose this measure, the North Korean Government called the Polish ambassador to Pyongyang to its office and denounced "the three countries for interfering internal affairs." The North Korean authorities are not allowing the four Czech members to leave their residence located several miles from Panmunjom and is prohibiting them from participating in the commission's routine activities, thus actually placing them in custody.

In connection with this, experts on North Korea in Beijing explained that "North Korea's actions are countermeasures against the Czech Republic and Poland for sending observers to the Team Spirit exercise while strengthening their overtures to the ROK after their communist regimes collapsed." They suggest that "North Korea may ultimately intend to dissolve the NNSC." The NNSC, composed of Czech and Polish members on the North side of the Demilitarized Zone and Swiss and Swedish members on the South side, has been overseeing the observation of the Armistice Agreement signed by the United States, China, and North Korea in July 1953.

ROK 'Countermeasures' Readied

SK0103020893 Seoul YONHAP in English 0148 GMT 1 Mar 93

[Text] Seoul, March 1 (YONHAP)—The South Korean Government is now drawing up multilateral measures to cope with the latest North Korean move to get four Czech members of the Neutral National Supervisory Commission (NNSC) to leave North Korea, government sources said Monday. Seoul sees North Korea's recent demand to get four Czech officers out of the NNSC to be ultimately aiming at the dissolution of the commission, which has been the neutral watchdog of the Korean armistice over the past four decades, officials said. The Czech Government, in its tit for tat response, is now considering demanding North Korea withdraw members of its mission in Czech [Republic], sources here said. A responsible government official said, "North Korea's insistence that Czech [Republic] is not entitled to claim the right to represent a nation formerly called Czechoslovakia following the division of the country is absurd in view that Czech [Republic] took over the right according to international laws.

"It is an inhumane act for North Korea to stop logistic support for, and restict movements of, the Czech members of the NNSC now residing north of the Demilitarized Zone in an apparent bid to put pressure for their withdrawal." He said North Korea, if it wanted, could designate another neutral nation on its side as the former Czechoslovakia had been nominated as a communist-side member country of NNSC. "But North Korea has not yet named a country to replace Czech [Republic] and even violates the regulation that requires it to consult with the signatories of the armistice agreement with regard to such issues," he said.

The South Korean Government offered on two occasions, on Feb. 19 and 26, to hold a secretaries meeting of the Military Armistice Commission to discuss the issue through the U.N. Command but the North Korean side rejected it, informed sources said. The South Korean Foreign Ministry conveyed to Chinese Ambassador Zhang Tingyan on Feb. 23 its wish that China, as a signatory to the armistice agreement on the communist side, to persuade North Korea for the solution of the issue, ministry sources said. The government is considering strong countermeasures such as denunciation of North Korea through the United Nations should the communist state continues to put pressures on the Czech members without designating a substitute country despite its effort to solve the issue through dialogue, they said.

Reports, Reaction to IAEA Proposal Continue

IAEA: 'New Proposal' for DPRK

SK2702023593 Seoul KBS-1 Radio Network in Korean 0200 GMT 27 Feb 93

[Text] International Atomic Energy Agency [IAEA] spokesman David (Kidd) said that the IAEA would send a new proposal to North Korea in an attempt to ease the tension caused by North Korea's rejection of nuclear inspections. Spokesman (Kidd) said today [27 February] that continued efforts must be made regarding North Korea's nuclear issue and that the IAEA was planning to send a cable containing a few ideas designed to resolve the situation to North Korea. Spokesman (Kidd) also said that he could not elaborate on the IAEA's new proposal because negotiations had been under way with North Korea.

ROK 'Studying' Nuclear Issue

SK2802042793 Seoul YONHAP in English 0254 GMT 28 Feb 93

[Text] Seoul, Feb. 28 (YONHAP)—The government is studying multi-pronged steps to resolve the controversial nuclear issue that stands in the way of the development of inter-Korean relations. A government official said Sunday the study is part of the new government's policy to prepare a breakthrough in currently deadlocked South-North relations at an early date. Under the policy, the government has embarked on the careful reevaluation of the issue of North Korea's suspected nuclear arms development. One idea being considered to ease strained relations is to carry out economic cooperation with North Korea without regard to the nuclear issue by withdrawing the policy of linking such cooperation to the resolution of the nuclear controversy.

Regarding the planned special inspection of North Korean nuclear facilities by the International Atomic Energy Agency (IAEA), the government is thinking of making it clear that such probes would be needed in dissolving nuclear suspicion. But, the government plans to inform the IAEA of its stand that turning the nuclear issue over to the U.N. Security Council should be handled prudently. The government has come to study these flexible measures in the belief that the existing hardline measures failed to resolve things and had only led North Korea to react furiously. "The government plans to resume nuclear talks and other inter-Korean dialogue upon the completion of the Team Spirit exercise," said the official. "We can be more flexible, for example, in preparing inspection rules on mutual South-North inspections."

ROK Editorial Views Resolution

SK2702035493 Seoul THE KOREA HERALD in English 27 Feb 93 p 6

[Editorial: "IAEA Resolution on N.K."]

[Text] The International Atomic Energy Agency (IAEA) has given North Korea one month to authorize a special IAEA inspection of its nuclear facilities. The seven-point resolution, which won the support of 22 of the IAEA's 35 members Thursday, called for unimpeded access to two suspected nuclear facilities at the Yongbyon nuclear complex north of Pyongyang. North Korea has refused a special IAEA inspection, describing it as "unjustified" and arguing that the two facilities in question are military installations, not nuclear facilities.

It is not clear at this juncture whether North Korea has a nuclear reprocessing capability, a prerequisite for producing nuclear warheads, although an IAEA analysis has shown a significant discrepancy from explanations given by North Korea on the quantity and nature of its nuclear materials. This has to be determined through the special inspection by the IAEA as well as by the inter-Korean mutual inspections of suspected military and civilian facilities on both sides.

For reasons unclear to us, Pyongyang has been dragging its feet over the IAEA inspection and the inter-Korean inspection which is duly provided by the South-North declaration on a nuclear-free Korean peninsula. Should North Korea have, as its leaders have vehemently argued, neither nuclear reprocessing capability nor any interest in its achievement, it has no reason to further frustrate the two inspections.

Pyongyang is strongly advised to promptly accommodate the two inspections so as not to arouse unnecessary suspicions, unless it has an ulterior motive for its procrastination. The completion of these inspections at any early date would surely relieve Pyongyang of any suspicions that have been aroused in regards to its nuclear issue.

North Korea will surely gain much more by resolving this long-standing nuclear issue rather than fumbling along with unaddressed loose ends. It ought to make everything crystal-clear about its nuclear potential and facilities, including the plutonium it allegedly extracted for research purposes. If Pyongyang truly wishes to be a respectable member of the international community, it should waste no time in resolving the nuclear deadlock and show some visible acts to ease the tension over the peninsula. Furthermore, it should be more sincere in building an inter-Korean relationship based on mutual understanding and trust.

Kim Against DPRK Isolation

SK2702074693 Seoul YONHAP in English 0717 GMT 27 Feb 93

[Text] Seoul, Feb. 27 (YONHAP)—President Kim Yong-sam on Saturday said he thinks North Korea, which he said is now in a difficult situation, should not be isolated any further from the rest of the world. The president expressed the view while exchanging opinions on [words indistinct] affairs at Chongwadae [presidential offices]. Ackerman was here to convey a personal letter of U.S. President Bill Clinton to President Kim.

Presidential spokesman Yi Kyong-chae said President Kim told Ackerman he believes North Korea will agree to resume the suspended inter-Korean dialogue once the Team Spirit military exercise is over. Kim also expressed the hope he will have an opportunity to meet President Clinton at an early date.

Rep. Ackerman said during the Chongwadae meeting that not only the Clinton administration but the U.S. Congress, too, would extend full support to President Kim. The American lawmaker also observed that an opportunity will come during President Kim's term of office for the unification of the Korean peninsula, Spokesman Yi said. In his message to President Kim, the American president congratulated him on his recent inauguration and expressed his conviction of President Kim's success as the leader of Korea.

Visiting U.S. Congressman on Issue

SK2702065793 Seoul YONHAP in English 0647 GMT 27 Feb 93

[Text] Seoul, Feb. 27 (YONHAP)—The United States may start dialogue with North Korea if Pyongyang allows the International Atomic Energy Agency (IAEA) to inspect its facilities, a U.S. Congressman said Saturday. Accusations that the United States still has nuclear weapons on South Korean soil were "simply not true," said Gary Ackerman, chairman of the House Subcommittee on Asia and the Pacific. "We do not have such nuclear weapons on your soil," he said.

Ackerman came to Seoul as U.S. President Bill Clinton's envoy for President Kim Yong-sam's inauguration. He received an honorary doctorate from Hanyang University, where he briefly made remarks on Korea-U.S. relations. "One of my goals, as chairman of the Asia and Pacific Subcommittee, is to try to help bridge the gap between North and South (Korea)," the congressman said. "But before we can make that connections, your wise and thoughtful concerns about North Korea's nuclear ambitions must be satisfactorily resolved," he said.

"If the North allows (IAEA Director-general Hans) Blix and his team to inspect its facilities, I firmly believe that my nation might slowly move toward a dialogue with the North, which may eventually help bring the great Korean family together again," Ackerman said. The American military presence has become less obtrusive, he noted, adding that "nevertheless, the U.S. presence is tangible evidence of the continuing U.S. commitment to the 1954 mutual security treaty to defend South Korea from external aggression."

The congressman urged Seoul to stay in the negotiations on rice market opening although he recognized that it was a "very emotional issue" in Korea. Some 6 million out of 42 million Koreans are farmers, he noted. "Nations which have a disproportionately high percentage of its people involved in agriculture cannot sustain superstar status," he said. "...It is better to negotiate and discuss, than it is to depart from the negotiation process."

U.S. Report on DPRK Viewed

SK2802052893 Seoul HANGYORE SINMUN in Korean 26 Feb 93 p 4

[Article by correspondent Chong Yon-chu from Washington: "U.S. Exaggeration of North Korea's Nuclear Weapons"; from the "Fluoroscope" column]

[Text] Regarding when North Korea will be able to develop nuclear weapons, former Central Intelligence Agency Director Robert Gates told a U.S. House Foreign Affairs Committee hearing on 25 February 1992 "in a tone of urgency" that "North Korea will be able to manufacture nuclear weapons in two years." A year later, on 24 February, the new CIA director under the Clinton administration made another "urgent" remark. He said: "North Korea may have already produced sufficient fissionable material to manufacture at least one nuclear weapon." ASSOCIATED PRESS and some other U.S. news media flatly said that "North Korea has already produced fissionable material."

A report by the Russian External Intelligence Bureau was made public at the hearing, as well. It says that "progress has been made" in North Korea's nuclear development program. However, it does not strike an "urgent note," unlike Director James Woolsey. Rather, it points out that the general assessment that "great progress has been made" in North Korea's nuclear development program may give rise to unnecessary serious suspicions. It also points out that problems have been found in various technological stages for nuclear weapons development, which include development of raw material bases, scientific experimentation and research, production of fissionable material, and development of detonators. It also points out that there have been problems in the production of plutonium.

Why did the two CIA directors each talk about the North Korean nuclear issue "in an urgent tone of voice" in

February last year and this year? They may have done so because the North Korean nuclear issue is urgent.

The U.S. Congress will start budget deliberations in March and will have no alternative but to significantly cut defense budgets and budgets for intelligence agencies because of the end of the Cold War and the serious U.S. budget deficits. The new CIA director may have talked about the nuclear issue because he had to show that "threats exist" in order to avoid budget cuts for his agency. Whatever the reasons, the destiny of the Korean peninsula is being "hastily" determined not by our people themselves but by people of other countries. This is truly a tragedy. The strong countermeasure against North Korea has invited a strong counter-countermeasure by North Korea, which says that "war may break out." This vicious cycle is developing apart from efforts by North and South Korea. It is all the more necessary for the North and South to pool their wisdom.

Kim Receives Letter From President Clinton

SK2702053593 Seoul YONHAP in English 0527 GMT 27 Feb 93

[Text] Seoul, Feb. 27 (YONHAP)—President Kim Yong-sam met with Rep. Gary Ackerman, chairman of the U.S. House of Representatives Subcommittee on Asian and Pacific Affairs, and received a letter from U.S. President Bill Clinton on Saturday [27 February]. Kim thanked Ackerman for Clinton's letter and asked him to convey his desire to meet the U.S. President in the not too distant future, presidential spokesman Yi Kyong-chae said.

In his letter, Clinton recalled that Korea and the United States have worked together both in war and peacetime for peace and stability of the Korean peninsula and the Northeast Asian region. Clinton then asked Kim for his help to further solidify and maintain the partnership, Yi said. Clinton congratulated Kim on his inauguration as president, saying it was made possible by Kim's efforts for democracy and human rights.

The U.S. President said Korea was becoming an important member of the world community because of the Korean people's potential, perseverance and hard work. Korea, Clinton added, was taking concerted steps with the United States not only in its own defense but also for international peace and cooperation. Clinton reassured Kim of U.S. support for Seoul and expressed his conviction of his success as the leader of South Korea.

ROK Envoy to U.S. Tenders Resignation

SK0103071193 Seoul YONHAP in English 0540 GMT 1 Mar 93

[Text] Seoul, March 1 (YONHAP)—Ambassador to the United States Hyon Hong-chu handed in his resignation over the weekend, it was reported here Monday. Hyon, who has recently returned home to attend his son's wedding ceremony, expressed his intention to resign from his post immediately after the announcement of the new cabinet line-up, the CHUNGANG DAILY NEWS said, quoting a highly-placed source at the Foreign Ministry. The source was reported as saying that Hyon's resignation had nothing to do with mission chiefs' customary practices of handing in their notices when a new government is inaugurated.

Group To Visit Washington To 'Ease Tensions'

SK2702032993 Seoul YONHAP in English 0229 GMT 27 Feb 93

[Text] Seoul, Feb. 27 (YONHAP)—A government delegation visits Washington next week for talks to ease tensions before a series of bilateral trade meetings with special attention on intellectual property rights [IPR] protection, Foreign Ministry officials said Saturday. "We hope to put key emphasis on meeting with congressmen to lay out mid- and long-term plans on Korea-U.S. economic issues," said Assistant Foreign Minister Ho Song, who will lead the delegation of officials from the Economic Planning, Finance and other ministries.

The March 2-5 visit precedes meetings of the trade sub-group and the Presidents' Economic Initiative (PEI) as well as South Korea-U.S. economic consultations. It is hoped to lift tension after the collapse of the beef talks and steel anti-dumping charges, and before the U.S. Trade Representative [USTR] decides whether to designate Korea a priority foreign country (PFC) on intellectual property rights. "We have arranged meetings with private businesses and groups that have brought up charges against Korea's IPR violations," Ho said.

The delegation is scheduled to meet with Lufux Yerxa, acting deputy USTR, Timothy Hauser, acting undersecretary of commerce for International Trade Administration, and Robert Fauver, senior economic adviser at the National Security Council. On the congressional side, the delegates will talk with Sam Gibbons, chairman of the House Subcommittee on Trade, and Gary Ackerman, chairman of the House Subcommittee on East and the Pacific.

Trade Minister 'Most Appropriate' for U.S. Relations

SK2802020193 Seoul THE KOREA TIMES in English 28 Feb 93 p 9

[By staff reporter Choe Won-sok]

[Text] Korea will approach trade policies more actively and comprehensively than before in a bid to stave off disputes with its trading partners as quickly as possible and meet its increasing role in the international economy as well. In particular, the policies will be focused on improving trade relations with the United States, the largest trading partner for Korea.

Since the second half of last year, trade ties between Seoul and Washington have become seriously entangled because of U.S. antidumping offensives against Korean products such as semiconductors and steel. The development has been deeply perplexing Korea because its trade with the United States has been balancing despite its experiencing of global trade deficits since 1990. To make matters worse, the United States is likely to further increase trade pressure against Korea as the Clinton administration is following protectionist policies in order to enhance the competitiveness of U.S. manufacturing industries.

Against this backdrop, Kim Chol-u, who was named new trade-industry-resources minister Friday, is regarded as "the right choice at the right time" to internationalize Korea's trade policies. He is especially considered the most appropriate trade minister ever to put the twisted trade relations with the United States at present on the right track because of his reputation in Washington as the most reliable Korean trade negotiator.

In 1989 when serving as assistant trade-industry minister, he played the pivotal role in the successful Super 301 negotiations with the United States, thereby helping Korea avoid the worst-ever trade retaliation from the U.S. It is reported that at the time, the United States accepted his last proposals in negotiations as Korea's final, official concessions. Upon assuming the post, he said that his ministry's trade policy will be centered on removing the causes of disputes in advance instead of settling them after their breakout. "If necessary, I will lead our trade negotiating teams," he said. He maintained that negotiations with the United States over the outstanding bilateral trade issues will go into full swing as soon as Clinton appoints all relevant officials.

He promised that he will do his best to settle the alleged dumping of Korean semiconductors in the American market before the U.S. Commerce Department makes its final ruling on the case March 15. He said that his ministry will call upon the United States to persuade its chip makers to sign a suspension agreement with Korean manufacturers to end the dispute. He indicated that his ministry will turn down overweening demands from the United States in negotiations in consideration of Korea's weakening trade performances. In the meantime, he said that Korea's trade negotiating functions, which are now shared by many ministries, should be handled by a single ministry in order to strengthen the consistency and efficiency of Korea's trade policies.

Korea Telecom To Cut Lines Used by U.S.'s Viatel

SK2802015193 Seoul THE KOREA HERALD in English 28 Feb 93 p 3

[By staff reporter Chon Si-yong]

[Text] Korea Telecom will cut off the international telephone lines being used by Viatel of the United States this coming Tuesday to keep the American firm from doing what Korean authorities term illegal telephone marketing here, officials said yesterday. Telecom officials said they have already sent a letter to MCI of the United Sates, one of its two American telephone service partners, in which they notified it of the decision. "We are waiting for a response from MCI, but it will have nothing to do with our decision to cut off the Viatel lines March 2," said Yi Kwae-sok, director of Telecom's international voice service department.

Viatel, headquartered in New York City, has been providing "call-back" international phone services through MCI's toll-free 1-800 lines, according to Telecom officials. Viatel, through its Korean representative office, Transpacific Service, has been providing international telephone service in the country since November last year at what it claims is a discount of up to 40 percent off Korean rates, according to the Telecom officials. They said Viatel takes telephone calls through MCI's toll-free lines and then, using its own switching machines, calls back the callers before relaying them to their destinations. It goes beyond the normal functions of the international toll-free service and violates Korean laws under which only Korea Telecom and Dacom are authorized to provide telephone services, according to officials at the Communications Ministry and Korea Telecom.

Telecom's decision to block the Viatel lines is the latest and the strongest action against its controversial telephone service. Last December Telecom asked MCI to take steps against the Viatel service and sent a letter to Transpacific warning that it was violating Korean regulations, Telecom officials said. A ranking Telecom official also visited the representative office to file a protest. The issue became a governmental dispute between Korea and the United States as it was on the agenda during communications talks held at Washington, D.C., early this month. A Communications Ministry official said the Korean side told American officials, including those from the Federal Communications Commission, that Viatel was violating Korean laws and that the Korean government will deal with its in accordance with its legal codes.

Telecom officials said their decision to block the Viatel liens partly stemmed from a newspaper advertisement of Transpacific last week. The ad in an economic daily said it would satisfy its customers by offering discounts up to 40 percent. "International telephone calls, aren't they too expensive?" it said. The ad also sought local representatives in Seoul, Pusan, Taegu, Kwangju and Taejon as salesmen. Telecom officials said they may take further steps besides the line blocking unless Transpacific stops its telephone service.

"We may take the issue to court since it is evident that Viatel is breaching Korean laws," said Yi of Telecom's international voice service department. "It is a kind of resale of telephone service because they are paid for the service, which, under Korean laws, is permitted only to Telecom and Dacom," Yi noted. "It is illegal from every perspective." He said Viatel also does not pay telephone tax, another legal violation.

Comments from the executives of Transpacific were not available yesterday afternoon, with a female worker who answered a call from THE KOREA HERALD saying that they were gone for the day and that she was not familiar with the issue. Meanwhile, Telecom officials said the Viatel service is not as reasonable as it claims. Transpacific has said its customers can save 20 to 40 percent off the Telecom and Dacom charges, they said. Viatel can charge up to 18 percent less than Telecom at most, and in certain periods of time, especially evening hours, Telecom rates are more reasonable than those of Viatel's since Telecom offers discounts during those hours, they said.

Protestors Stage Rally at Japanese Embassy

SK0103073193 Seoul YONHAP in English 0622 GMT 1 Mar 93

[Text] Seoul, March 1 (YONHAP)—Scores of South Koreans staged a protest rally in front of the Japanese Embassy in central Seoul Monday and demanded compensation for the Korean victims of Japanese colonial rule. There were no reports of violence or injuries during the rally. The protesters belonging to various organizations, including the association of the bereaved Korean families in the World War II and the council of Korean Christian youths, marched to the embassy after holding a rally to observe the 74th anniversary of independence movement day in a nearby park earlier in the day. The ralliers also called for an immediate Japanese apology and compensation for the Korean comfort women recruited as sex slaves for Japanese soldiers during the war. They also demanded the return of the remains of the Koreans who had been recruited as forced laborers and died in Japan.

Iran Emerges as 'Promising Market,' Investment Site

SK2802015493 Seoul THE KOREA TIMES in English 28 Feb 93 p 8

[By staff reporter Pak Yun-pae]

[Text] Iran is emerging as a promising market and investment site in the Middle East for Korea as the Islamic Republic strives to rebuild. Combined with Iran's efforts to rebuild its infrastructure and industrial facilities, Korean exports to it increased remarkably by 64.1 percent in 1989 to $215 million from the $131 million in 1988, according to the Korean Customs Administration (KCA). In 1990, its exports to Iran posted their highest growth ever by surging 141 percent to $520 million. They slowed somewhat in the first 11 months last year to $493 million a 2.7 percent rise compared with the same period in 1991. Meanwhile, Korea's imports from Iran showed a 42 percent increase with $1,023 million in 1991, compared with $720 million in 1990, the KCA estimates said. The growth in bilateral trade between the two countries was attributed to Iran's reconstruction projects after the 1988 cease-fire of the eight-year-old war with Iraq.

Many Korean companies have participated in various projects to rebuild destroyed infrastructure such as dams, power plants, port facilities, railways and highways. Iran has been trying to attract Korean investment in the fields of textile industry, construction, natural resources development and automobile assembly. Many business concerns such as Hyundai, Daewoo, Samsung and Ssangyong have made inroads into the Islamic country in the fields of trade, construction and other joint projects.

However, Korean companies' brisk business there is now threatened by Iran's shortage of hard currency. Iran is delaying payments for imports from foreign countries. The total amount of delayed payments for Korean companies is projected to reach $340 million as of the end of February, the Korea Trade Promotion Corp. (KOTRA) said. A KOTRA official, who is in charge of Iran, pointed out that Iran's excessive efforts to push forward its reconstruction plan have given rise to the shortage of foreign exchanges. Iran is dependent on imports for a wide variety of consumer and capital goods and a large portion of its food.

However, under a long-term strategy, Korean companies must not turn their back on Iran as the country still has great potential, the KOTRA official emphasized. Iranian Ambassador to Korea Zabihollah Now-Forsati said that the shortage will not last for long. Believing that the currency problem stemmed from many large-scale reconstruction projects, Now-Farsati said Iran can repay all those defaulted LCs if it stops one of those big projects. The Iranian envoy maintained that Korean firms doing business in Iran know the capability of the Iranian economy and they know the short period of payment delay will not last long and they will receive their money very soon.

The KOTRA official pointed out that Iran will be the largest market in the Middle East in two or three years. He said Iran is trying to step up cooperation with the Economic Cooperation Organization (ECO) to unite Muslim countries through economic ties. ECO is composed of Iran, Turkey, Afghanistan, Pakistan and six Central Asian Islamic countries in the former Soviet Union.

Iranian President Hashemi-Rafsanjani once said ECO should play a constructive and active role in bringing about a balanced economic order. The official at the state-run export engine stressed that Koran firms can make inroads into the ECO region by strengthening their foothold in Iran. The other potential cited by him is Iran's rich natural resources such as oil, gas, copper and other mineral deposits. He said Iran will become the largest natural gas supplier at the beginning of the next century except for the Commonwealth of Independent States. He also said Iran is a big and strong country in terms of its 60 million population, military might and its influence on Islamic countries worldwide.

One of the Korean companies, which are aggressively making forays into Iran, is the Daewoo Business Group. Daewoo is consolidating its position both as a trader and an investor. Daewoo Group Chairman Kim U-chung visited Tehran at the end of last year to step up cooperation with Iran in various fields including automobile assembly. He met with Gholam Reza Aqazadeh-Kho'i, Iranian oil minister, to explore the possibility of the group's participation in reconstruction of oil drilling facilities.

Daewoo Corp. is trying to win a bid for TDX (time division exchange) systems worth $1,250 million. The company already opened a 20,000-line TDX system in February last year. In the construction sector, the company is working on two railroad projects and two power plant projects. Daewoo Shipbuilding & Heavy Machinery on Dec. 30 last year signed a $450-million contract with Iran's National Iranian Tanker Company to construct five crude oil tankers. In addition to Daewoo, other business concerns such as Hyundai, Samsung, Goldstar, Ssangyong and Daelim are actively engaged in many projects in Iran.

Kim To Announce Vice Minister Appointments 3 Mar

SK0103051193 Seoul YONHAP in English 0428 GMT 1 Mar 93

[Text] Seoul, March 1 (YONHAP)—President Kim Yong-sam's administration plans to announce the appointment of vice ministers and heads of governmental agencies around Wednesday, a government source said Monday. The upcoming appointment of 24 vice ministers and heads of government agencies will involve all but four or five ministries in accordance with Kim Yong-sam's government reform plans, the source said, requesting anonymity. There will be a large-scale reshuffle of provincial governors and large city mayors several days later, he said. Since the cabinet ministers appointed last Friday came mostly from political and academic circles, there is a strong chance that specialists and administrators in their respective fields will be appointed as vice ministers so that they could assist their bosses on the working level, informed sources said.

Kim Yong-sam Plans Reshuffle of Senior DLP Posts

SK0103034993 Seoul YONHAP in English 0237 GMT 1 Mar 93

[Text] Seoul, March 1, (YONHAP)—President Kim Yong-sam plans to conduct a large-scale reshuffle of senior Democratic Liberal Party (DLP) posts Tuesday tapping Rep. Choe Hyong-u for secretary general, an informed source said Monday. Kim, who is also president of the ruling party, will name Rep. Yi Se-ki the party's chief policymaker and retain Rep. Kim Yong-tae as floor leader in the National Assembly, according to the source, who asked not to be named. Rep. Sin Kyong-sik is tipped for the chief secretary to the party president while Rep. Kang Chae-sop for the spokesman, they said.

"The president aims at a sweeping intra-party personnel reshuffle with a view to forming a complete party-government unity needed for pressing ahead with reforms," the source said. The president and Kim Chong-pil, executive chairman, completed their discussions on the reshuffle at a meeting at Chongwadae on Feb. 26, the source said. The DLP is expected to conduct a follow-up reshuffle affecting mid- and lower-level officials, keeping an earlier decision to slim down the party structure in mind, he said.

Reps. Kang U-hyok and Kwon Hae-ok are being considered for the post of deputy secretary general, a slot for the lawmakers belonging to the Democratic Justice Party faction, one of the three parties merged in February 1990 to form the DLP. The post of the deputy secretary general has been reduced to one from three at an instruction of the president who has called for downsizing of the party's mechanism for an efficient operation. As for the chiefs of policy coordnating offices, Rep. So Sang-mok is sure to retain the job, while Reps. Chang Yong-chol, Kim Un-hwan and Kim Han-kyu are considered for the other job, the sources added.

NSP Officials Told To Avoid Government Meetings

SK0103034693 Seoul YONHAP in English 0241 GMT 1 Mar 93

[Text] Seoul, March 1 (YONHAP)—Officials of the Agency for National Security Planning (NSP) were instructed Monday to stay away from meetings of "related government agencies" or other events. Kim Tok, the new NSP director, told chiefs of the agency's regional chapters across the country not to attend local inter-agency conferences and events of all governmental levels that have nothing to do with the proper business of the agency, the NSP office of external relations announced.

Kim handed out the directive while he was being briefed on the agency's work prior to the planned reorganization and functional readjustment of the intelligence arm of the government, according to the office. NSP representatives will, therefore, depart from their customary practices of attending meetings of government officials of any level to be convened to discuss administrative problems or sensitive politico-social issues in the future, an agency spokesman said.

The agency, however, will continue to be represented at meetings related to its proper business, such as anti-espionage operations and public security affairs, he said. President Kim Yong-sam earlier instructed the NSP director and the chief of the presidential security service not to attend cabinet meetings.

Kim Holds First Cabinet Meeting; To Disclose Assets

SK2702033493 Seoul YONHAP in English 0258 GMT 27 Feb 93

[Text] Seoul, Feb. 27 (YONHAP)—President Kim Yong-sam held his first cabinet meeting Saturday [27 February] and told his ministers that he will lead his government's efforts to wipe out corruption by making his personal assets public. Kim urged his ministers to follow suit at the earliest time possible. Prime Minister Hwang In-song told the meeting that he would disclose his personal assets and other cabinet ministers and vice ministers would do so voluntarily at the earliest time possible, said Yi Kyong-chae, presidential spokesman.

Following Kim's order, the presidential secretariat said the president and his family, including his father and two sons, but excluding his daughters, were worth 1,778,226,070 won as of Nov. 5, 1992. The assets include a house, fishing rights, a car, a ship, plots of land and bank deposits, it said. A breakdown of the Kim family assets shows that Kim and his wife have a house with an estimated value of 457,444,000 won, land worth 566,594,070 won, and a Grandeur car, a 45.99-ton ship, a health club membership and other movables worth 119,419,340 won for a total of 686,013,410 won. The president's father, Kim Hong-cho, has a house valued at 127,280,000 in Masan, South Kyongsang Province, and bank deposits and other movable assets worth 352,210,2660 won. His elder son, Kim On-chol, has fishing rights and fishing facilities worth 400,000,000 won, his second son, Hyon-chol, has a house in Seoul worth 340,000,000 won, it said. The Kims have debts totaling 144,000,000 won, the secretariat said.

President Kim instructed his ministers to ease administrative restrictions in order to reduce the burden on the people so that they could feel the immediate effects of the civilian government that had taken over from a succession of sometimes harsh administrations of presidents with military backgrounds. "Authoritarian and bureaucratic practices of government have to be removed from the administration," Kim was quoted by aides as saying. "Government officials should register the people's difficulties and pain in their daily life and measures to lessen them should be reflected in government policies."

Kim warned his ministers that he would not tolerate any government agency putting its self-interest ahead of common interest. "Do not be afraid of reforms and change," Kim encouraged the ministers. "If you run into obstacles, you have personally to see to it that they are removed." Breaking from past practice, Kim did not invite the director of National Security Planning, the chief of the presidential security service and the chairman of the Board of Audit and Inspection to attend the cabinet meeting.

Kim Yong-sam Speech Addresses Corruption Problem

SK0103100393 Seoul YONHAP in English 0842 GMT 1 Mar 93

[Text] Seoul, March 1 (YONHAP)—Fingering internal corruption as the nation's greatest enemy, President Kim Yong-sam pledged to take the lead in the fight against it Monday. "The most frightening adversaries that brought miseries to our countrymen always existed inside the nation and we have now confronted with that foe of within," Kim pointed out in his speech at the ceremony for the 74th anniversary of Independence Movement Day in Sejong Cultural Center. "Our society has been overshadowed by corruption since not long ago and more frightening fact is that the society has grown insensible to that evil," South Korea's new president said.

He named laziness, overspending, and various faces of selfishness under the pretext of right as the causes behind the "Korean Disease", which is barring the country's progress. Kim painted the new look of Korea as being rich with freedom, prosperity, ethics, and justice, while calling courage and devotion from the people to create the reformed country.

But he also stressed that the society first has to be righteous to inspire sweat from the people. Reiterating his determination to fight against the adversaries of within that are creating corruption and idleness, Kim urged willingness for change from people of all walks of life. "Without aspiration for reform from every individuals, there could never be a change," Kim said.

Recalling the valiant struggle by Korean patriots during the Japanese colonial rule (1910-1945), Kim said the Koreans of today have to repay their ancestors' valuable blood with courage for reform and devotion for recreation of the country. "What we face in the 21st century depends on what we do now," he accented. Kim invited the people to present their determination to build a new Korea to the martyred patriots and fighters for democracy.

Kim Stresses Hard Work in National Day Speech

SK0103021993 Seoul YONHAP in English 0138 GMT 1 Mar 93

[Text] Seoul, March 1 (YONHAP)—South Korea observed the 74th anniversary of independence movement day Monday with a variety of comemorative events across the country. President Kim Yong-sam, speaker of the National Assembly Pak Chun-kyu, Chief Justice Kim Tuk-chu and other major dignitaries took part in a ceremony at Seoul's Sejong Cultural Center attended by some 4,000 independence fighters and families of the victims of March 1, 1919, uprising against the Japanese colonialists. President Kim, in his speech, stressed that this year's anniversary was particularly meaningful as it was the first of its kind to be observed along with the creation of the genuine civilian government and the dawn of a new era for national reconciliation and harmony.

Kim, however, deplored that the nation is still fraught with corrpution, defeatism, selfishness and excessive consumption, which he said are blocking the progress of the nation. The president urged the people to work harder to build a nation of peace and prosperity as wished by independence fighters many of whom had sacrificed their lives for the country.

Meanwhile, the ruling Democratic Liberal Party (DLP) issued a statement, calling for the people to bear in mind the sublime spirits of those who had fought for national independence and exert their efforts to help create a new Korea free of corruption. The government conferred posthumous honors to 101 independence fighters and those who had waged valiant struggle against the Japanese colonial rule (1910-1945). Public parks and museums were open to the visitors free of charge to commemorate the independence movement day, a national holiday.

Government To Announce Economic Measures Early Mar

SK2702033393 Seoul YONHAP in English 0247 GMT 27 Feb 93

[Text] Seoul, Feb. 27 (YONHAP)—South Korea's new economic team, headed by Economic Planning Minister Yi Kyong-sik, is expected to announce measures to revitalize the economy early next month. Yi, who is also a deputy prime minister, will preside over the first meeting of the cabinet's economic ministers on Tuesday to discuss the economy, an informed government source said Saturday.

Speaking on condtion of anonymity, he said that the meeting would view economic revitalization as the government's primary task and work out measures to deregulate business, spur facility investment and technological development, and help Korea's struggling small- and medium-sized businesses. The meeting will intensively discuss ways to stabilize wages and interest rates, and to conserve energy and the government will announce the measures after it finalizes pending or urgent tasks, according to the source. Priority will be put on reforms, including legislation requiring the use of real names in financial transactions, and improvements in policies and regulations on land, in tax policies and in personnel training.

Minister Outlines Plans To Improve Economy

SK2702114193 Seoul SEOUL SINMUN in Korean 27 Feb 93 p 5

[Interview with Yi Kyong-sik, newly appointed ROK deputy prime minister and minister of the Economic Planning Board, by reporter Kim Yong-il on 26 February—place not given]

[Text] Yi Kyong-sik, newly appointed deputy prime minister and minister of the Economic Planning Board [EPB], revealed on 26 February: "I will carry out an economic policy focused on restoring the economy's vitality." Deputy Prime Minister Yi also pointed out that currently the economy is far too stagnant. He said that he plans to provide a short-term measure to reinvigorate the economy.

[Kim Yong-il] How do you view the current economic situation?

[Yi Kyong-sik] The potential economic growth level is seven to eight percent. However currently it is only two percent which is too low. I will work to promote economic growth at a reasonable level which is not detrimental to stability.

[Kim] What is the first objective in revitalizing the economy?

[Yi] I will abolish unnecessary regulations and work to overcome various stumbling blocks that face businesses. We cannot randomly print money to revitalize the economy.

[Kim] What is your plan for implementing the real name system in financial transactions and financial liberalization?

[Yi] It is a known fact that the real name financial system must be instituted. However, its timing and method should be chosen prudently in view of the significant impact it is likely to have on the national economy. The policy of instituting financial liberalization will also be approached with much prudence on whether it is necessary for the national economy.

[Kim] There is a problem of competitiveness in the manufacturing industry. What prescriptions do you have concerning this problem?

[Yi] The problem is that people are not working as hard as before. If businessmen and workers have a mind to work, they can achieve a 30 percent increase in all aspects. Investment for developing technology is a secondary problem. If money is poured into businesses when no one is working means that we are only wasting money.

[Kim] What is your policy on conglomerates, and what are the measures for fostering small and medium-sized businesses?

[Yi] The fostering of small and medium-sized businesses and the development of conglomerates are complementary. I will expand assistance to the small and medium-sized businesses. However, I will also allow conglomerates to invest more in up-to-date industries based on financial power and technological might. I will also work to strengthen international competitiveness.

[Kim] At a time when the economy is in such a difficult situation, why do you think President Kim Yong-sam chose you as the head of the economic team?

[Yi] I don't know. However, I feel that President Kim has a firm will to conduct economic policy not based on politics but based on the position to revitalize the economy.

[Kim] Do you have anything to say to the people?

[Yi] There was hardly a time when our economy was in a good situation. In the years 1971, 1973, 1979, and the early 1980's our economy was in deep depression. To recover our economic vitality, it is necessary to share the burden of suffering which President Kim emphasized in his inaugural speech.

Unification Minister To 'Push Ahead' With Policy

SK2702131093 Seoul SEOUL SINMUN in Korean 27 Feb 93 p 5

[Interview with Han Wang-sang, vice prime minister and national unification minister, by reporter Kim In-chol on 26 February; place not given—first three paragraphs are introductory remarks]

[Text] Vice Prime Minister and Unification Minister Han Wan-sang said on 26 February that "he will push ahead with the reunification policy based on a consensus among the people, ignoring the sentimental reunification-for-reunification policy and the government-oriented reunification theory based on the structure of the cold war."

In his roundtable talks with reporters on 26 February, Vice Prime Minister Han said: If North Korean President Kim Il-song makes a correct response to "true nationalism," I will try to discover a way to hold the North-South summit talks to resolve the issues—including the Team Spirit issue and the nuclear issue—between the two sides.

He stressed that "he intends to accept students', religious men's, and progressive forces' theory of reunification at any time."

The following is the question and answer session between the reporter and Prime Minister Han.

[Correspondent] What is the importance of the reunification policy?

[Han Wan-sang] Despite the weakness of the existing political forces' legitimacy and morality, the national division has provided them with the objective historical conditions so that they can come to power and extend their power. This has caused the Korean disease such as corruption and the close political-economic ties. Therefore, the realization of national reunification is a quick way to heal the Korean disease.

[Correspondent] How much significance does President Kim Yong-sam attach to his proposal of summit talks in his inauguration speech?

[Han Wan-sang] President Kim Yong-sam said that he could meet Kim Il-song "if he sincerely attaches more importance to the nation." He also said that we can resolve all the issues "from a starting point based on one nation." Please understand well the preconditions.

Which is more important, the chuche idea or the nation? The North Korean authorities should answer this question. If the two sides sympathize with true nationalism, the existing issues pending between them will be secondary.

[Correspondent] What is your impression of North Korea?

[Han Wan-sang] North Korea is a diversified society. Twenty million North Koreans share our same nation. They are our brothers and sisters. It is not likely that the North Korean authorities have completely broken themselves from the cold-war mentality. I will keep an eye on this issue in the future.

[Correspondent] Do you have any plans to strengthen the role and function of the Ministry of Unification Board?

[Han Wan-sang] I think that the Ministry of Unification Board is dignified, but it has no power. I will try to make it, however, become a central organization in the implementation of our country's reunification policy in the future. I will also try to be a driving force in developing its dignity so as to get visible results.

Justice Minister Discusses Scope of Amnesty

SK2602125493 Seoul YONHAP in English 1220 GMT 26 Feb 93

[Text] Seoul, Feb. 26 (YONHAP)—New Justice Minister Pak Hui-tae said on Friday that an amnesty on the occasion of the birth of the new government would be effected around the end of next week. While meeting with reporters after he took office, Pak said the new government plans to announce the amnesty toward the end of next week so that people's festive mood over the birth of the first civilian-led government in about 30 years will now cool down.

But, Pak hinted that the scope of the projected amnesty would not be as large as originally expected. "The aspect of national harmony is important but what is no less important is to retain the dignity of the statutory order," said Pak. "I don't believe any amnesty should shake national discipline and the legal order."

Workers' Party Leader Given Life Sentence

SK2602123493 Seoul YONHAP in English 1206 GMT 26 Feb 93

[Text] Seoul, Feb. 26 (YONHAP)—The Seoul District Criminal Court on Friday sentenced Hwang In-o involved in the case of the South Korean Choson (Korea) Workers' Party to imprisonment for life, finding him guilty of forming a anti-state organization in breach of the National Security Law. Hwang, age 37, was arrested last September on the suspicion that he was won over by a North Korean agent named Yi Son-hwa in August 1990, was taken to the North by Yi in October 1991, and upon return home worked for North Korea by forming an anti-state organization. The court, however, dismissed the prosecution allegation that Yi Son-hwa Hwang met was "actually Yi Son-sil, a politburo candidate member of the North Korean Workers' (Communist) Party." The court said there is no objective evidence substantiating Yi Son-hwa being Yi Son-sil. "Still, we recognize that Yi Son-hwa was an agent from North Korea," it said. In its ruling, the court said it does not sentence him to death in consideration of the fact that the accused repented for his sins. The prosecution demanded death for him.

Meanwhile, the Seoul District Criminal Court also handed down a one year's imprisonment term to Chang Ki-pyo, former policy committee chairman of the now defunct masses (Minjung) party, for his failure to report to authorities about an espionage agent he knew. But, the court found him not guilty of another count of the prosecution charges that he met an anti-state element. "It is not believed that he met the North Korean agent with the intent of serving the interests of North Korea," it said. Chang was arrested in September last year on the charges that in the course of founding the Masses Party in 1989 he met Yi Son-hwa despite the fact that he knew she was an agent from the North and that he did not report to authorities about her.

Burma

26 Feb Plenary Session of Convention Reported

BK2702075593 Rangoon Burma Television Network in Burmese 1330 GMT 26 Feb 93

[Excerpts] The plenary session of the National Convention continued at 1000 this morning at the Central Meeting Hall in the President's House compound on Ahlone Road, Yangon [Rangoon]. [passage omitted]

The chapter headings contained in the report on chapter headings for the State Constitution compiled by workers representatives are: 1. Preamble; 2. State Structure; 3. Basic Principles of the State; 4. People's Assembly; 5. Head of State; 6. Legislature; 7. Executive; 8. Judiciary; 9. Defense Services; 10. Attorney General and Auditor General; 11. Local Administration; 12. Citizens and Fundamental Rights and Duties of Citizens; 13. Public Service; 14. Election; 15. Political Parties; 16. State Flag, Emblem, and Capital City; 17. Amendment of the Constitution; 18. Provisions for the Transition Period; and 19. General Provisions.

The report on chapter headings compiled by the technocrats and intelligentsia group was submitted by Professor U Thein Naing. The 25 headings are: 1. Preamble; 2. The State; 3. Fundamental Principles of the State; 4. State Structure; 5. Head of State; 6. Parliament; 7. Legislature; 8. Executive; 9. Judiciary; 10. Defense Services; 11. Chief Justice; 12. Auditor General; 13. Local Administration; 14. Citizens; 15. Fundamental Rights and Duties of Citizens; 16. Economic and Social Affairs; 17. Public Service Personnel; 18. Election; 19. Recall, Resignation, Retirement From Duty; 20. Political Parties; 21. State Flag, Emblem, Anthem, and Song; 22. Amendment of the Constitution; 23. Provisions for Transition Period; 24. General Provisions; and 25. Index of Terms Contained in the State Constitution.

The report on chapter headings compiled by the public servants' group was submitted by U Kyaw Win of the Culture Ministry. The 17 headings contained in the report are: 1. State Structure; 2. Fundamental Principles of the State; 3. Head of State; 4. Legislature; 5. Administration; 6. Judiciary; 7. Defense Services; 8. Attorney General; 9. Auditor General; 10. Local Administration; 11. Citizens and Fundamental Rights and Duties of Citizens; 12. Public Service Personnel; 13. Election System; 14. Political Parties; 15. Amendment of the Constitution; 16. Provisions for Transition Period; and 17. General Provisions.

The report on chapter headings compiled by invited persons was submitted by U Htan Lan, Special Region-1, Kachin State. The headings are: 1. Preamble; 2. The State; 3. Leading Body of the State; 4. State Structure; 5. Basic Principles of the State; 6. Head of State; 7. Central Government of the Union; 8. Parliament; 9. Legislature; 10. Executive; 11. Judiciary; 12. Defense Services; 13. Attorney General and Auditor General; 14. Local Administration; 15. Citizens and Fundamental Rights and Duties of Citizens; 16. Public Service Personnel; 17. Election; 18. Political Parties; 19. Amendment of the Constitution; 20. Recall, Resignation, and Replacement From Duty; 21. Development of Border Regions and National Races; 22. Provisions for State of Emergency; 23. Provisions for Transition Period; 24. State Flag, Emblem, National Anthem, Capital City, National Flower, National Bird, and Official Language; and 25. eneral Provisions.

The plenary session of the National Convention ended at 1325. The plenary session will continue on 3 March.

PRC Minister Arrives on 'Goodwill' Visit

BK2702094493 Rangoon Radio Burma in Burmese 1330 GMT 26 Feb 93

[Text] A five-member goodwill delegation from the People's Republic of China led by Mr. (Que Naifu), minister of public affairs [title as heard], arrived in Yangon [Rangoon] by air at 1900 this evening at the invitation of Brigadier General Thaung Myint, minister for social welfare, relief, and resettlement.

The PRC minister and his delegation were welcomed at the Yangon Airport by Brig. Gen. Thaung Myint and responsible officials.

Meets Ministers 27 Feb

BK2802085793 Rangoon Burma Television Network in Burmese 1330 GMT 27 Feb 93

[Text] The visiting Chinese delegation led by Minister of Civil Affairs Mr. Cui Naifu called on Minister for Social Welfare, Relief, and Resettlement Brigadier General Thaung Myint at his office in the Secretariat Building at 0800 this morning and held a discussion.

During the discussion, Brig. Gen. Thaung Myint said our ministries have the same functions and objectives. He said arrangements have been made for the delegation to study and give necessary suggestions on matters concerning social welfare, relief, and resettlement activities in Myanmar [Burma] and firefighting activities. He continued, saying that transportation has been arranged to take the delegation to big cities to witness the social and economic progress of today's Myanmar. He also expressed his desire that the delegation's visit be a success.

The visiting minister said the People's Republic of China and the Union of Myanmar have been countries with a friendly relationship for many years. He said he believes the friendship will be strengthened more in the future. He continued that he is glad to hear of Myanmar's social and economic progress from the minister of foreign affairs and the ambassador. He also said he is very pleased to know that the growth of gross national product [GNP] in Myanmar has increased to 8 percent, while the growth of GNP in the developed countries is 4-5 percent.

The visiting Chinese delegation led by Minister of Civil Affairs Mr. Cui Naifu, accompanied by Minister for Social Welfare, Relief, and Resettlement Brig. Gen. Thaung Myint, called on Minister of Mines Major General Kyaw Min at Inya Lake Hotel's guest room at 1430 this afternoon. During the meeting they held a frank discussion on matters concerning mining and mutual benefits of both countries. After the discussion the visiting minister and members of the delegation visited and toured the 30th Gems Emporium.

Minister for Social Welfare, Relief, and Resettlement Brig. Gen. Thaung Myint and his wife hosted a dinner in honor of the Chinese delegation led by Minister of Civil Affairs Mr. Cui Naifu, which is currently in Myanmar, at Dekhina Room, Karaweik Hall at 1830 this evening. The dinner was attended by ministers who are members of the State Law and Order Restoration Council; ministers from the government; responsible personnel from the departments; Chinese Ambassador Mr. Liang Feng and his wife; and responsible personnel. Before the dinner, they were entertained by a dance performed by children from the nursery and children's day care school under the Social Welfare Department.

The visiting minister and members of the delegation, accompanied by Deputy Minister for Social Welfare, Relief, and Resettlement U Win Naing, visited Shwedagon Pagoda and Pyidaungsu Aye Yeik Nyein this morning. In the afternoon they visited the National Museum.

Article Mocks Nobel Laureates' Thailand Visit

BK2702133793 Rangoon Radio Burma in Burmese 1130 GMT 26 Feb 93

[Article by Ko Ko Lwin entitled "Ointment Should Not Be Applied Where There is No Inflammation" from 26 February issue of Rangoon's KYEMON newspaper from the "Review of Reading Materials" program]

[Excerpts] One can see that the news on Myanmar [Burma] concerning the visit of eight Nobel laureates to a neighboring country have been featured prominently in newspapers published in that country as well as in reports broadcast by foreign broadcasting stations.

It is learned that the trip of these people was organized and financed by a Canada-based human rights organization. If we study this event, one can see, firstly, that it has been systematically synchronized and planned to coincide with the holding of a very important event—the National Convention, which is being held to lay down the basic principles that will shape the future of the nation.

Terrorist insurgents had also wished to attend the National Convention on the same status and position as the state government without giving up their armed struggle. They also wanted to dictate their terms to the government and make unreasonable demands.

The State Law and Order Restoration Council [SLORC], the military government, has already openly declared that terrorist insurgents will always be welcomed with open arms if they give up their armed struggle and return to the legal fold. But terrorist insurgents cannot give up their armed struggle because it is their only livelihood, which is easy, profitable, and self-aggrandizing. When they did not get the permission to attend the National Convention, they planned in various ways to destroy it and urged the delegates to boycott the National Convention.

Moreover, they used their imagination in disseminating false news on the National Convention. When they realized it was being successfuly held without any loss of momentum, their great masters created this trip to tarnish the news of its success and to divert the world's attention. These people will feel that their efforts have been wasted when the Defense Services transfers power to the democratically elected government after the new constitution is successfully drafted following the successful conclusion of the National Convention. That is why they have created this diplomatic and political maneuver, while they still have the opportunity.

The second point to consider is "Why are those people being used as pawns?" Some of them participated without knowing the truth though they believed it to be real. Some of them probably participated because they wanted popularity and world attention, while others took part because of the free trip to a country known for its abundant tourist attractions.

Some of them have been pawns before. For instance, a Tibet-born leader of the Mahayana Buddhist sect, who is exiled in India, had previously been used and financed by a secret organization of a Western superpower. While that leader was in Tibet, a foundation under a secret organization gave him with a saloon car. But in those days there were no roads in Tibet to drive a car. So it was dismantled and transported by humans, mules, and horses to Lhasa.

Thirdly, if we study the organizers' part, one can see very clearly whose work it was. During the cold war, we have seen and learned that organizing and using prominent people, using the names of private organizations, making arrangements, and financing are the work of secret organizations of the big countries.

When those people arrived in the neighboring country, most of the organizing and arrangements for news conferences, interviews, and photo presentations, was made by an anti-Myanmar white-faced journalist. One can also see the journalist in almost every picture taken with the Nobel Prize winners.

A member of the Burmese section from one of the foreign broadcasting stations had already arrived in Geneva, Switzerland, way before the Nobel Prize winners could present their report to the Geneva-based Commission on Human Rights, as if he had a prior engagement there. Therefore, the question is what kind of people are these who can make such perfect arrangements without missing any event.

The fourth point is why the Nobel laureates chose to visit that neighboring country out of the many other countries of the world. They have other more important activities than issuing a statement. They seemed to be more keen in being Nobel emissaries by visiting the so-called refugee camps in the border area of that country and amplifying the words of the so-called refugees in the international arena.

Although the Nobel laureates do not know who these so-called refugees in the refugee camps are, the Myanmar [Burmese] people do. The Nobel laureates claimed that they have gathered a lot of news and facts at the refugee camps. These facts are likely to be one-sided fabrications. If they really wish to get the correct news, they should ask the young students who were injured during a bomb explosion in the Moulmein market, a student who was injured by a mine on her way to school, and the members of Alantaya Buddhist Organizations who were brutally ambushed while on their pilgrimage.

Had the bishop of South Africa only known about the great compassion of KNU [Karen National Union] General Nga Mya, who bayonetted his close followers straight to the heaven of permanent peace in Bawthayaw, he would not have given him his blessings. Similarly, had the leader of the Mahayanist Sect known that Gen. Nga Mya worshipped the Kyaiktiyo Pagoda by spraying it with assorted weapons and ammunition, he would not have said Sadu [Buddhist blessing].

They did not get to know about these reports. We understand the Nobel laureates wish to work and they are working for world peace. There are many other regions in the world where there is no peace and which they should be concerned about, rather than Myanmar. For instance, there is the plight of over 400 Palestinians who have been forcibly expelled by Israel to a desolate no-man's land with freezing temperatures. These Palestinians were also not accepted by Lebanon. The United Nations has however, called for their reacceptance, but they still cannot return to their homeland. [passage omitted]

Why are the Nobel laureates concentrating their efforts on the expulsion of Myanmar from the UN and the imposition of general sanctions, which could bring suffering to the Myanmar people, instead of trying to resolve major refugee problems which genuinely affect world peace? If we may say so, we would say that the Nobel laureates, despite their wisdom, are applying ointment where there is no inflammation.

Therefore, if the Nobel laureates genuinely want to work for the world peace, we would like to urge them to personally visit the Palestinian and Bosnian refugees, who are genuine refugees, and to work for peace in those regions. We would like to appeal to and urge the Nobel laureates not to interfere in the internal affairs of other countries out of ignorance and not to apply ointment where there is no inflammation.

Brunei, Malaysia & Singapore

Malaysia

Foreign Minister To Propose Joining Bosnian Airdrop

BK2702095893 Kuala Lumpur BERNAMA in English 0727 GMT 27 Feb 93

[Text] Kuala Lumpur, Feb 27 (OANA-BERNAMA)—Malaysia may join a United States' mission to airdrop food and medicine over Bosnia for people trapped by the civil war, Foreign Minister Abdullah Haji Ahmad Badawi said Saturday. I will propose to the Cabinet that we join in the mission, he told BERNAMA when contacted at his office. He said Malaysia's participation would also be on condition that it was invited by the United States to take part.

U.S. President Bill Clinton announced on Thursday that the United States would conduct the humanitarian airdrops as a temporary supplement to land deliveries of supplies to civil war victims. White House spokesman Dee Dee Myers had said that other countries had been invited to join in the mission.

Datuk Abdullah said his statement on the matter was based on a decision of the Cabinet for Malaysia to send a peacekeeping mission to Bosnia though there had been no invitation as yet for such a team from the country. He said if Malaysia were invited to join the airdrop mission, and if the operation was carried over a long period of time, it could make adequate preparations to participate.

Abdullah said Malaysia welcomed the decision of Clinton for the United States to make the humanitarian airdrops, adding that he hoped that Bosnian Muslims in particular would get adequate supplies of the food and medicine.

Regiment on Standby for Somalia

BK0103082593 Kuala Lumpur BERNAMA in English 0614 GMT 1 Mar 93

[Text] Kuala Lumpur, March 1 (OANA-BERNAMA)—The 19th battalion Royal Malay Regiment, a mechanised battalion based in Sungai Petani, in the northern state of Kedah, is on standby for possible United Nations' peacekeeping duties in Somalia anytime now.

The Chief of Army General Abdul Rahman Abdul Hamid Monday said the battalion was all prepared for the assignment if and when the UN called for its deployment. The army was also prepared to send its personnel to serve with UN troops in Bosnia-Hercegovina if required, he told reporters after taking the salute from the 60th army day parade at Sungai Besi camp here.

Gen. Abdul Rahman said a stint overseas as UN peacekeepers was a coveted assignment and a source of great pride for Malaysian army men. In his speech Gen. Abdul Rahman said the army had upgraded further its capabilities by creating assault and support units, and rapid deployment teams armed with sophisticated weaponry. The move was to enhance professionalism in the army through improved mobility and firepower in line with the doctrine of combined arms operations, he said.

Commentary Lauds Somalia Decision

BK0103115593 Kuala Lumpur Voice of Malaysia in English 0800 GMT 1 Mar 93

[Station commentary]

[Text] Malaysian troops will be participating in UN peace enforcement duties in Somalia in the near future. The Malaysian Defence Minister, Datuk Sri Najib Tun Razak, provided [word indistinct] and details of his decision recently.

The present operations in Somalia are largely handled by American forces with some help from Nigeria and Botswana. However, it has already been considered in keeping with the spirit of the UN Charter, that the UN force should take on an international image. It is not enough to have a regional identity and similarly, it should not be a mockery of the United States. [sentence as heard]

This will be probably the most dangerous overseas assignment that Malaysian troops will be involved in. The duties of the U.S. special force in Somalia are to enforce the peace rather than peacekeeping. It will be a more complex and undoubtedly more hazardous exercise. However, the Malaysian Government has always given full support to UN-sponsored plans for peace and stability of a number of states.

In Somalia, the situation is ironic. For many weeks in May, the world had grown accustomed to seeing pathetic pictures of starving people. The world was happy that there was a massive humanitarian operations rushing in food supplies. Then, another horror of [word indistinct] starving again began to be heard. There were gangs of armed men attacking the food convoys. The food did not reach the people most in need of aid. It was then that the Americans decided to intervene based with the little support of the UN Security Council resolution. The intervention has shown out the real problems of law and order in Somalia. There is every indication that more assistance is needed to prevent a rapid slide into anarchy.

The UN secretary general, Butrus-Ghali, has a clear cut procedure that is soon to be endorsed by the Security Council. It is intended to replace the U.S.-led force by a full-scale UN peace enforcement force. A multinational force of at least 30,000 is envisaged. The vital element is that peace force will be authorized to use force to disarm the Somali gangs that are indulging in terrorism.

Malaysian forces will therefore be participating in an important operation intended to restore peace and stability in the Horn of Africa. No one knows exactly how many people have died because of the famine and the majority killed. One estimates troops to figure at about 300,000. This may be an under estimate.

The Malaysian contingent will certainly be following a great tradition set by its predecessors in Namibia and Cambodia. Serving under the UN flag is an honor apart from the valuable professional experience.

Russian Vice President Arrives for Talks

BK0103044493 Kuala Lumpur BERNAMA in English 0314 GMT 1 Mar 93

[Text] Kuala Lumpur, March 1 (OANA-BERNAMA)—Russian Vice President Aleksandr V. Rutskoy arrived here Monday for a three-day visit where he will meet Prime Minister Dr. Mahathir Mohamed for talks. Rutskoy, who is on the first leg of his tour of three nations, will also visit New Zealand and Singapore.

The Russian leader, who is accompanied by his wife, I.A. Rutskaya, and his 40-member delegation arrived in a special Aeroflot flight. Among those in the delegation are Foreign Economic Relations Minister Sergey Yuryevich Glaziyev and Agriculture Minister Viktor Khlystun.

At noon, Rutskoi and his wife will have an audience with the yang di-pertuan agong (king) Sultan Azlan Shah and raja permaisuri agong (queen) Tuanku Bainun. In the afternoon, he is scheduled to visit Airod where he would be briefed on the set up and activities of the aircraft maintenance facility in Subang, near here.

Tomorrow, Rutskoi will meet Dr. Mahathir for talks before visiting the Palm Oil Research Institute of Malaysia (PORIM) in Bangi where he will also be briefed on the Federal Agricultural Marketing Authority (FAMA) and and Malaysian Agricultural Research and Development Institute (MARDI). On Wednesday, he will visit Sapura, a telecommunications company, before leaving on the next leg of his regional tour.

Singapore

Finance Minister's 26 Feb Budget Speech Outlined

BK2702134693 Singapore THE STRAITS TIMES in English 27 Feb 93 p 1

[By Phua Kok Kim]

[Excerpt] Finance Minister Dr. Richard Hu yesterday unveiled a Go-Regional Budget for the 1993 fiscal year starting April 1, with tax incentives to encourage local businessmen to venture abroad.

He also had goodies for the man-in-the-street—a one-off 5 percent rebate on personal income taxes in Year of

Assessment 1993, and a Top-Up Scheme to help citizens own Singapore Telecom shares which will be listed later this year.

The government will also pay service and conservancy charges payable in December 1993 for Singaporeans living in one- to three- room HDB [Housing Development Board] flats.

With the economy expected to grow by 7 percent this year, the employee's CPF [Central Provident Fund] contribution rate will be cut by half a percentage point to 21.5 per cent, while the employer's rate will go up by half a point to 18.5 percent from July 1.

Contributions by employers and employees could be equalised at 20 percent by July next year if the Singapore economy continues to grow satisfactorily.

And with an eye on next April's introduction of the Goods and Services Tax (GST), Dr. Hu announced in parliament a generous package of corporate and personal tax cuts, rebates and subsidies to offset the impact of the 3-percent tax.

But for some companies, yesterday's budget statement had a sting: The government is capping companies' expenses on medical benefits that are tax-deductible. From Year of Assessment 1994, tax deductibility of such expenses by employers will be capped at 2 percent of total employees' remuneration.

Dr. Hu said this was to preempt inflated health care spending and "overconsumption of medical services"—and not to deprive workers of existing medical benefits. "With medical subsidies and the Medical Endowment Fund, no Singaporean is deprived of basic medical care," he added.

Dr. Hu's budget speech—his eighth in a row—was delivered in two parts yesterday. He started at 3:30 p.m. and ended the first part at 4:15 p.m. He resumed at 5 p.m. after the stock market closed to announce the tax changes.

Interestingly, the minister also chose to divide the fiscal changes into two categories—those for Fiscal Year '93 and those accompanying the GST.

The clear message in Dr. Hu's speech was the need to develop an "external dimension" for the Singapore economy to overcome the problems of a "small mature domestic market and a limited resource base."

Urging Singapore entrepreneurs to tap the growing Asian market for business opportunities, he said the government will find ways for statutory boards and government-linked companies to work together on overseas ventures.

But tax incentives must not make outward investments more attractive than domestic ones. Otherwise there will be a "hollowing out" of local industries.

Dr. Hu then announced seven incentives to help create an external economy, including a unilateral tax credit for dividend income.

He said the Committee to Promote Enterprise Overseas chaired by the minister of state for finance, Commodore (Reserved) Teo Chee Hean, would continue to study issues related to the external economy over the next few months.

The government also hopes to make Singapore more attractive for offshore activities through incentives such as a 10 percent concessionary tax rate to approved art and antique dealers with effect from Year of Assessment 1994.

Other incentives announced yesterday included a one-off 25 percent rebate for commercial and industrial properties for the year starting July 1993. This is to offset some business cost increases.

Dr. Hu also reemphasised in his speech the government's philosophy in "investing in the future."

For example, in the area of education, [Singapore dollar] $500 million of the Fiscal Year '92 budget surplus would be transferred to the Edusave Endowment Fund. As a result, the education budget—at 5.5 percent of gross domestic product—will be the largest of all the sectors, including defence. Another $500 million has been earmarked for transfer to Edusave in Fiscal Year '93.

The government will also be making its first capital transfer of $200 million to the Medical Endowment Fund in Fiscal Year '93. The fund will eventually be built up to $1 billion.

Concluding his speech, Dr. Hu said Singaporeans have to orientate towards venturing abroad to continue to enjoy high economic growth.

"Government will on its part do whatever is possible to encourage, facilitate, and be a partner of an outward economic expansion."

The minister said he was confident that Singapore had what it took to meet the challenge of obtaining a "bigger piece of that fast-growing economic pie in the region." [passage omitted]

Target Overseas Business Expansion

BK2702074893 Hong Kong AFP in English 0714 GMT 27 Feb 93

[By Leu Siew Ying]

[Text] Singapore, Feb 27 (AFP)—Singapore, worried that its businessmen are not aggressive enough, is trying to coax them to expand overseas with tax cuts and other incentives. Finance Minister Richard Hu said a package of incentives he announced Friday were aimed at encouraging local entrepreneurs to take part in "risky but highly profitable" ventures abroad, particularly in Singapore's neighbours. Hu told parliament in his budget address for fiscal 1993 that the proposals would assure businessmen that "if they dared and succeeded, the government will not cream off a large share of their rewards."

Hu's announcement culminates months of public debate as to why this prosperous city-state suffers from a paucity of entrepreneurial spirit that has produced the likes of billionaires such as Li Ka- shing in Hong Kong. Singapore patriach Lee Kuan Yew, prime minister for three decades before stepping down two years ago, believes local businessmen are too soft. Lee said in a recent speech that Singaporeans were unwilling to trade the comforts and security of home for the risks and discomforts that going overseas entail.

While "every Hong Konger believes he can become a millionaire" and is imbued with the spirit of adventure that has made many of them so successful, "Singaporeans prefer secure careers and are homebound," Lee said.

Officials say Singapore must build up an external economy by investing abroad much like the Koreans, Taiwan residents and Hong Kongers have done if it is maintain its current growth running at around six percent. Failure to do so would mean being overtaken by other newly industrialising Southeast Asian neighbours such as Thailand and Malaysia, which are endowed with abundant land, labour and other natural resources, they said.

To ensure this does not happen, Hu on Friday cut corporate tax by three percentage points to 27 percent and reduced the top personal tax rate to 30 percent—moves which analysts said would generate savings for companies to venture abroad.

Among the more significant of Hu's measures to encourage Singapore businesses to expand abroad is a unilateral tax credit on dividend income from overseas.

From this year, companies will also be able to claim double tax deductions for expenses incurred in developing overseas investments and promoting the export of services. Approved investments overseas will also enjoy some exemptions for up to 10 years under the income tax act.

A Statistics Department report on Tuesday said Singapore's investments abroad totalled 16.9 billion U.S. dollars at the end of 1990. But a large portion of this is invested in government bonds and debentures and shares of companies over which Singaporeans had little or no influence, the department said. The tax changes will also encourage Singaporeans to work overseas. From this year, Singaporeans can choose to be non-residents for tax purposes after they have worked abroad for six months, instead of the previous one year.

"The government will on its part do whatever is possible to encourage, facilitate and be a partner of an outward economic expansion," Hu said. But some think more fundamental policy changes are necessary to nurture a stronger entrepreneurial spirit.

Ho Kwon Ping, president of the Wah Chang conglomerate, said Singapore should foster street-smart entrepreneurs instead of pinning hopes on scholars going into business. "Singapore has to accept that the most academically gifted people may not always be the best entrepreneurs," Ho said.

Cambodia

Fighting Against 'Yuon Aggressors' Inevitable

BK2702014393 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 Feb 93

[Text] Reports from Phnom Penh say that the UNTAC [UN Transitional Authority in Cambodia] leaders held a meeting in Phnom Penh on 25 February with the participation of representatives from various countries and international monetary organizations in order to gather money to proceed with Cambodia's so-called economic rehabilitation; to prop up the Yuon [derogatory term for Vietnamese] puppet regime and keep it from disintegrating.

The reports also say that at this meeting many representatives of countries and international monetary organizations opposed providing aid to Cambodia while the Yuon and their puppets continue their war of aggression and occupation in Cambodia and annihilate the Cambodian nation, people, and race.

Many representatives of countries and international monetary organizations have opposed providing aid to Cambodia because they clearly realize that in Cambodia old Yuon troops remain and large numbers of new Yuon troops continue to flow into the country. So far, the Yuon forces, old and new, in Cambodia number over 2 million. These forces are commanding and directly participating with troops of the Phnom Penh puppets. They have been carrying out offensives against the resistance forces, as well as political terrorist and fascist activities to murder people and harm various political parties.

On this issue, Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council, clearly pointed out in his 14 December 1992 statement that the current situation in Cambodia is in complete darkness. Many countries and international monetary organizations have not provided aid to Cambodia because, in their view, aid granted under such conditions would not reach the people but would fall into the hands of the Yuon aggressors. Thus, this aid will only help the Yuon to continue their aggression in and occupation of Cambodia.

As long as the Yuon continue to commit aggression against and occupy Cambodia, war against the Yuon aggressors to liberate the country will inevitably break out again.

UN Reports Finding 3 Vietnamese Soldiers

BK0103095493 Hong Kong AFP in English 0911 GMT 1 Mar 93

[By Sheri Prasso]

[Text] Phnom Penh, March 1 (AFP)—The United Nations said Monday that it had found three Vietnamese soldiers who qualify as foreign forces under terms of the peace accords ending the civil war, and that they must be expelled from Cambodia.

The announcement was the first confirmation of the radical Khmer Rouge's insistence that Vietnamese troops remain in Cambodia, a matter which has led to the faction's refusal to participate in the peace process or in UN-sponsored elections in May. Vietnam, however, denied their presence and told UN officials that it refuses to take them back, UN spokesman Eric Falt said.

The three men served with the Vietnamese troops who invaded Cambodia in 1978, married Cambodian women, and received Phnom Penh Government identification cards making them Cambodian citizens, Falt said. Two are still serving with the Phnom Penh Government armed forces, while a third has retired from military service, he said. The spokesman would not say what rank the men presently hold in the Phnom Penh's Armed Forces, nor say whether they serve as advisors or in combat units.

"I will not give any information to help identify them," Falt said, refusing to disclose in which part of the country the men live or their ages.

Other men suspected of being Vietnamese troops are under investigation, he said, refusing to say how many. Phnom Penh Government military spokesman General Phan Thay also denied there were active Vietnamese soldiers serving in government ranks. But he said he was "unaware" whether any demobilized troops had stayed on with Cambodian wives after Hanoi's troops withdrew in 1989.

Whether the men stayed on for personal reasons after Vietnam's withdrawal from Cambodia is irrelevant, said UN legal advisor Vishakan Krishnadasan.

"In our view these are Vietnamese nationals ... (who) entered Cambodia as members of foreign forces," he said.

The UN Transitional Authority in Cambodia (UNTAC) is required by the 1991 Paris peace accords to verify the total withdrawal of all categories of foreign forces in Cambodia.

Hanoi's troops invaded Cambodia in 1978 to oust the radical Khmer Rouge, and it claims repeatedly that all forces were withdrawn a decade later. Thousands of Vietnamese have served in the Phnom Penh Armed Forces, fighting alongside Cambodians in the 13-year civil war against the Khmer Rouge and their allies.

The Vietnamese Embassy issued a statement Monday before UNTAC's announcement that was intended to refute new allegations by the Khmer Rouge that a Vietnamese-manned "Ninja" death squad is operating in northwest Cambodia.

"After having totally withdrawn its troops from Cambodia in September 1989, the Socialist Republic of Vietnam has not reintroduced either its forces or its arms," the embassy statement said.

The UNTAC spokesman, however, said an investigation that lasted several weeks determined that the men are "definitely of Vietnamese nationality and served with Vietnamese Armed Forces in Cambodia."

"These three men are foreign forces under terms of the Paris agreement," Falt said. Whether they answer to the Vietnamese Government or are fully integrated into the Phnom Penh ranks was not immediately clear.

The Khmer Rouge claim that more than two million Vietnamese occupy Cambodia, with 1.3 million of them holding Phnom Penh Government identification cards making them Cambodian citizens. They make little distinction between military occupation and territorial settlement, urging what amounts to an "ethnic cleansing" campaign to rid the country of all non-Khmers, as they did when they came to power in 1975. The idea has much sympathy among the fiercely nationalistic Khmer people.

The UNTAC spokesman defended the fact that it took the UN body nearly one year to find any Vietnamese foreign forces in Cambodia. The Cambodian parties who complained about the Vietnamese presence in Cambodia failed to give UNTAC clear information to investigate, Falt said.

"Despite this lack of cooperation, UNTAC proceeded with its investigation" and found the Vietnamese soldiers, he said.

However, the parties have charged that UNTAC investigators bungled earlier attempts to find Vietnamese by driving up to the scene in bright white vehicles, knocking on suspected doors and asking if there were any Vietnamese present, giving suspects ample time to flee.

One of the most vocal parties on the issue of Vietnamese in Cambodia, the Khmer People's National Liberation Front (KPNLF) led by former prime minister Son Sann, welcomed the announcement.

"We regard this as just a small success," KPNLF official Pol Ham said.

"If they (UNTAC officials) try, they are going to find more than three. If they really look for Vietnamese soldiers who marry Cambodian women or wear civilian clothes, they will find thousands," he said. A Khmer Rouge spokesman could not be reached for comment.

Hun Sen Receives North Korean Vice President

BK2702051793 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 26 Feb 93

[Text] On the afternoon of 25 February at the office of the Council of Ministers, His Excellency [H.E.] Hun Sen, vice chairman of the Cambodian People's Party [CPP] and chairman of the Council of Ministers, held talks with the high-ranking delegation of the DPRK led by His Excellency [H.E.] Yi Chong-ok, member of the Korean People's Workers Party Central Committee Politburo and DPRK vice president.

On this occasion, H.E. Hun Sen expressed a warm and very cordial welcome for H.E. Yi Chong-ok and his entire delegation. He also conveyed the sentiments of H.E. Heng Samrin, H.E. Chea Sim, and his own sentiments, through H.E. Yi Chong-ok, to the beloved Korean party and government with H.E. Marshal Kim Il-song as eminent leader. H.E. Hun Sen expressed profound thanks for the historic visit by H.E. Yi Chong-ok to our fine land of Angkor to vigorously contribute to the search for peace and security for the Cambodian people.

H.E. the chairman of the Council of Ministers, Hun Sen, informed H.E. Yi Chong-ok about the development of the situation over the past 14 years in the State of Cambodia [SOC] and the new situation in Cambodia following the 23 October 1991 Paris agreement. He also talked about the efforts by the SOC party and government to fully implement each stage of the peace agreement and to closely cooperate with UNTAC [UN Transitional Authority in Cambodia]. Despite the fact that the Khmer Rouge have refused to implement this agreement, the SOC and other parties are preparing for the forthcoming elections according to schedule.

Replying, H.E. Yi Chong-ok expressed great joy over the visit to learn of the real situation in Cambodia. In particular he expressed his warm welcome for the success of the process to reconcile the Cambodian nation in the search for genuine peace and security for the Cambodian people.

H.E. Yi Chong-ok expressed his profound thanks to H.E. the chairman of the Council of Ministers, Hun Sen, for taking precious time off to receive the delegation for talks. He also conveyed the sentiments of H.E. Marshal Kim Il-song, Korean leader, and H.E. Kim Chong-il, marshal of Korea, to H.E. Heng Samrin, honorary chairman of the CPP; H.E. Chea Sim, chairman of the CPP; and H.E. Hun Sen, chairman of the SOC Council of Ministers. He also welcomed the work and efforts to implement the agreement in Cambodia by considering this brilliant success as belonging to the Cambodian people as well as to the entire Korean people.

H.E. Yi Chong-ok highly valued the national reconciliation policy of HRH Prince Norodom Sihanouk, head of state and SNC chairman, who supports the forthcoming presidential election.

Radio Reports Activities of DPRK Delegation

BK2702052193 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 26 Feb 93

[Text] At 1900 on 25 February at the Khemarin pavilion, His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council [SNC], hosted a reception in honor of the high-ranking delegation of the DPRK led by His Excellency [H.E.] Yi Chong-ok, DPRK vice president, currently on a visit to Cambodia.

Attending the occasion were H.E. Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee, the National Assembly, and the National Council of the Kampuchean United Front for National Construction and Defense; H.E. Chea Soth, member of Standing Committee of the CPP Central Committee; H.E. Kong Sam-ol, member of the Standing Committee of the CPP Central Committee and vice chairman of the Council of Ministers; and Prince Norodom Ranariddh, chairman of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia].

Speaking on this occasion, HRH Prince Norodom Sihanouk expressed joy over the important and historic visit by H.E. Yi Chong-ok to Cambodia saying this will certainly contribute to further expanding and strengthening the relations of solidarity and friendship and cooperation between the two countries and people of Cambodia and Korea. The prince also thanked and wished good health and longevity to Marshal Kim Il-song, leader of the Korean people, and H.E. Kim Chong-il, supreme commander of the Korean People's Army, in order to lead the Korean motherland toward prosperity.

Replying, H.E. Yi Chong-ok praised and highly valued the leadership of HRH Prince Norodom Sihanouk to reconcile and unite the Cambodian nation. He believed that under the prince's leadership the Cambodian motherland will move toward peace, independence, neutrality, and prosperity. H.E. Yi Chong-ok also appreciated the Korean-Cambodian bilateral relations, which have been reestablished since the signing of the Paris peace agreement, and pledged to further strengthen and expand these relations.

On the morning of 26 February, H.E. Yi Chong-ok, DPRK vice president, accompanied by H.E. Chea Sim, chairman of the CPP Central Committee, the National Assembly, and the National Council of the Kampuchean United Front for National Construction and Defense; and many leading officials of the State of Cambodia, visited Siem Reap-Oddar Meanchey Province.

Upon arriving at the Siem Reap-Oddar Meanchey provincial airport, the DPRK high-ranking delegation was greeted by Neou Sam, member of the CPP Central Committee and chairman of both the provincial party committee and people's committee; Lieutenant General Long Sopheap, commander of the 4th Military Region; and many leading officials from various services in the province.

During the trip to Siem Reap-Oddar Meanchey Province, H.E. Yi Song-ok, visited the Bayon and Angkor Wat temples. During the visit, H.E. Yi Chiong-ok admired our genious Cambodian cultural heritage which has been admired by humankind and is considered a genuine wonder. At 1200 on the same day, H.E. Yi Chong-ok safely left Siem Reap-Oddar Meanchey for Phnom Penh.

Delegation Departs 28 Feb

BK2802060693 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 28 Feb 93

[Text] At 0900 on 28 February, His Excellency [H.E.] Yi Chong-ok, DPRK vice president, successfully ended his official visit to Cambodia and safely returned home.

Seeing off H.E. Yi Chong-ok at Pochentong International Airport were H.E. Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee and of the State of Cambodia [SOC] National Assembly; their excellencies members of the Standing Committee of the CPP Central Committee, including H.E. Bou Thang; H.E. Chea Soth; H.E. Mat Li, vice chairman of the SOC National Assembly; Men Sam-an, chairman of the Cambodian Federation of Trade Unions; H.E. General Sin Song, minister of national security; H.E. Sim Ka, chairman of the Phnom Penh city party committee and people's committee; H.E. Kong Sam-ol, vice chairman of the Council of Ministers; General Pan Thai, adviser to the chairman of the SOC Council of Ministers; and officials from various establishments, cadres, employees, students, and their excellencies diplomats and ambassadors of various countries accredited to Cambodia.

During his stay in Cambodia from 24 to 28 February, H.E. Yi Chong-ok called on His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council [SNC]; held talks with H.E. Heng Samrin, chairman of the SOC Council of State; H.E. Chea Sim, chairman of the CPP Central Committee and the SOC National Assembly; and with H.E. Hun Sen, chairman of the SOC Council of Ministers and SNC member; and met with Prince Norodom Ranariddh, chairman of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party, and SNC member.

H.E. Yi Chong-ok also visited temples in Siem Reap-Oddar Meanchey Province and cultural establishments in Phnom Penh. The visit by H.E. Yi Chong-ok to Cambodia is a positive sign of further consolidation of the long-standing relations of friendship and solidarity between the two countries and people.

Paper Interviews UNTAC Chairman Akashi

BK2602135393 Jakarta TEMPO in Indonesian 20 Feb 93 pp 71, 72

[Interview with Yasushi Akashi, chairman of United Nations Transitional Authority in Cambodia, by TEMPO correspondent Yuli Ismartono in Phnom Penh—date not given]

[Text] [Ismartono] Khmer Rouge leader Khieu Samphan has accused the UNTAC [UN Transitional Authority in Cambodia] of failing to implement the Paris peace accord.

[Akashi] They have always repeated these accusations, namely, the continued presence of Vietnamese troops and UNTAC's failure to control the Hun Sen government. UNTAC troops have been going everywhere to look for Vietnamese troops, but they have been unable to find them. We are still continuing our search. The Khmer Rouge should help us in this move, at least by giving us information.

The UNTAC has also been accused of being unable to control the Phnom Penh government. In the five ministries under UNTAC jurisdiction, there is an UNTAC representative who gives advice on day-to-day operations because Prime Minister Hun Sen often makes decisions without following the proper procedure. This is a main problem, but we do our best to ensure that UNTAC is always in control of the situation.

[Ismartono] But now all factions, including the Sihanouk one, have attacked you.

[Akashi] I admit that UNTAC has a lot of shortcomings. Earlier, we were accused of failing to persuade the Khmer Rouge to comply with the second stage of the Paris peace accord, namely, the disarmament and demobilization of troops. On the other hand, the Khmer Rouge has accused us of not complying with the peace accord. Now UNTAC is accused of failing to ensure security in the country following the murders of opposition party members from the Sihanouk and Son Sann factions. Another recent accusation is that the UNTAC is unable to stop the attacks by Phnom Penh forces against the Khmer Rouge. In short, the UNTAC is described as being powerless and helpless.

You see, the UNTAC was set up as an agency in charge of peace operations and its duty is to maintain, not to enforce peace. The UNTAC forces are here not for combat purposes. We are armed to enable us to hold diplomatic talks. That is all.

[Ismartono] What happens if all factions do not comply with the Paris peace accord?

[Akashi] We have been sent to Cambodia on the assumption that all factions and groups will fulfil their responsibility. Unfortunately, this is not taking place. However, under the UN Security Council's authority, the UNTAC will do its best to carry out its duties and achieve its targets. We are faced with a situation where things that we plan to do may not materialize, but we will not give up easily.

[Ismartono] Now Prince Sihanouk himself appears to be pessimistic ...

[Akashi] Sihanouk is discouraged because of the Khmer Rouge's rejection to take part in the peace process, but he has always distinguished the Cambodian case from the Somalian and Yugoslavian cases and he has concluded that the Cambodian situation is not as bad. There are not as many casualties in Cambodia as in the two countries, but we cannot be too optimistic about Cambodia's future because obviously there will be many problems and more armed clashes before the election.

[Ismartono] At a Supreme National Council meeting, you expressed doubts that free and fair election could be held ...

[Akashi] No. The election will proceed as scheduled. We will guarantee that a neutral political atmosphere will prevail. Look at the acts of political terrorism this month and compare them with December. You can see that the rate has dropped drastically. Hun Sen has obviously paid attention to our warnings. He has issued instructions to his officials in the rural areas to stop their terrorist acts. Besides, the UNTAC has set up a special court to handle these political cases so as to avoid the repetition of such acts. I know we are making progress. Political upheavals are deeply rooted in Cambodia. Therefore, it is hard to find a solution.

[Ismartono] Are you sure that the UNTAC will not fail in its mission?

[Akashi] The problems in Cambodia are quite serious and complicated. We not only have to end the war, but also rehabilitate the people and reconstruct the country. It is our duty to revive the democratic institutions and human rights so that the Cambodian people will be able to support themselves.

[Ismartono] Is it possible to change UNTAC's role from an agency in charge of maintaining peace to that of enforcing peace?

[Akashi] That is not possible. The Cambodian problem is not as serious as that in Somalia or Yugoslavia. But it is more complicated. For instance, a village is inhabited by two different groups. Or, a village is occupied by one group, but the fields are occupied by another. Therefore, we always use the diplomatic approach to solve any problem.

[Ismartono] But the Khmer Rouge has declared it will not recognize the election outcome ...

[Akashi] More than 4.7 million people have registered for the poll. The coming election may not be successful, but it is better than nothing. A total of 1,000 UNTAC personnel will be mobilized to supervise the elections while 15,000 Cambodians have been recruited and trained to assist us. I hope an election acceptable by all factions will take place. Democracy cannot be created after one election and the Cambodian people must continue to work to improve the situation.

[Ismartono] Will UNTAC's duties end in Cambodia after the election?

[Akashi] I think UNTAC will be dissolved after the election. However, I hope another UN agency will replace it so as to monitor and ensure the growth of democracy and human rights in Cambodia.

Khieu Samphan Sends Message to UNTAC Chief

BK2802043293 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 27 Feb 93

[Text] On 25 February 1993, His Excellency [H.E.] Khieu Samphan, chairman of the Party of Democratic Kampuchea [PDK] and member of the Supreme National Council [SNC], addressed a letter to H.E. Yasushi Akashi, special representative of the UN secretary general [UNSG] and chief of UNTAC [UN Transitional Authority in Cambodia]. Following is the essence of the message:

Your Excellency: I have the honor of referring to successive reports dated 25 January and 13 February, by the UNSG.

To clarify historical facts, I would like to draw your attention to the fact that the PDK does not agree with the views stated in the two reports concerning those responsible for the nonimplementation of the 23 October 1991 Paris agreement on Cambodia. We would like to once again affirm our will to respect the Paris agreement, which is the historic result of the Cambodian people's struggle under the leadership of Prince Norodom Sihanouk, head of state and SNC chairman, with the noble assistance of the international community, particularly the United Nations.

Now public opinion clearly realizes that we, the PDK, have constantly demanded that the Paris agreement be correctly and comprehensively implemented, especially including the following major points:

1. Give a role to the SNC as the legitimate and the sole source of power in Cambodia during the transitional period. The SNC having no role is an obstacle preventing the SNC and its chairman Prince Norodom Sihanouk from cooperating with UNTAC in implementing the Paris agreement.

2. UNTAC should verify that the Yuon [derogatory term for Vietnamese] withdraw all their aggressor forces from Cambodia and prevent these forces from returning.

3. UNTAC should directly and effectively control the five ministries of the existing administrative structure.

Therefore, it is not the PDK that is the obstacle which is hindering implementation of the Paris agreement. The result of the nonimplementation of the above major points is that the Yuon are continuing their aggression and occupation of our Cambodia through the Phnom Penh puppets, propped up by the the Yuon since 1979, and through secret Yuon networks maintained and hidden within the Phnom Penh puppet regime.

Thus, the heavy responsibility does not fall only on the Yuon and the Phnom Penh side, but also on UNTAC. It is necessary to point out that the goal of the Paris agreement and UNTAC's most important mission is to end the Yuon's war of aggression in Cambodia. This is a necessary condition for achieving national reconciliation in Cambodia, peace, security, and a neutral political atmosphere.

Now everyone knows that the Cambodian people assist and support the correct stance of the PDK and have demanded that UNTAC leaders and the Western powers in the UN Security Council [UNSC] dare to recognize the truth and take concrete measures to make the Yuon and the Phnom Penh regime implement the Paris agreement and not put the blame on the PDK. Many unbiased foreign observers and the majority on UNTAC personnel have whispered among themselves that UNTAC and the Western powers have not implemented the 23 October 1991 Paris agreement. The only difference is that the PDK, straight to the point and loudly, talk about what others only whisper.

The Cambodian people and the Cambodian national resistance forces ask this question: Why was current Yuon aggression—with the continued inflow of Vietnamese settlers into Cambodia following the signing of the Paris agreement—not reported to the UNSC? You yourself have admitted that the number of Yuon settlers has increased to over 2 million. How great a danger Yuon aggression under this new form will be to the survival of a small country like Cambodia! Are there any difficulties in understanding this? Particularly when we have many times specified to you, UNTAC, and the UNSC that the Yuon settlers are systematically organized and armed; the majority of them are members and cadres of the Communist Party of Vietnam and of Yuon peasant associations, trade unions, and communist youth unions, not to mention Yuon soldiers and officers disguised as civilians.

Why have UNTAC and the Western powers in the UNSC not said a word about this? The fact is obvious. Evidence has further clearly showed that UNTAC and the Western powers have not thought about verifying that the Yuon withdraw all of their aggressor forces from Cambodia as clearly stated in the Paris agreement. They have instead paid attention to finding ways to destroy the PDK, which is a great obstacle to the strategic and economic goal of the Western powers in Cambodia. UNTAC and the Western powers in the UNSC have allowed the Yuon to remain in Cambodia and have allowed the Yuon to return to Cambodia so that they can use these Yuon forces to smash the PDK. UNTAC and the Western powers have sided with the Yuon to kill Cambodia. UNTAC and the superpowers think that because of the protracted struggle of the Cambodian people, the Yuon's war of aggression has been defeated. After the disintegration of the Soviet bloc and the Warsaw Pact, the Yuon have become weak. Therefore, the Western powers thought that making an alliance with the Yuon would be beneficial to strengthening the so-called new international order of Western powers.

If this not so, why do UNTAC and the Western powers force the PDK to enter the second stage without first verifying that all Yuon aggressor forces have withdrawn from Cambodia in accordance with the implementation of the above three major clauses of the Paris agreement? And why do they insist on grossly organizing elections in a situation in which the Yuon's networks hidden inside the Phnom Penh regime are intensifying political terrorist activities against the Cambodian people and various Cambodian political parties, such as the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] and the Buddhist Liberal Democratic Party?

The Western powers acted this way because they have forgotten an important fact: The Hanoi Yuon communist regime is different from countries in Eastern Europe. The Yuon communist regime is not something molded by the former Soviet Union and it is not like Eastern Europe. On the contrary, because the Yuon have concrete forces on the spot, they will take this opportunity, while the Western powers are adopting such a policy toward Cambodia, to annex Cambodia and consolidate their forces in Indochina to enable them to oppose new changes taking place in the world and in the region.

We hope that the Western powers understand this situation and the profound request of the Cambodian people who need to maintain their national identity and who want to live peacefully with all countries, whether near or far, within the framework of an independent, neutral, and nonaligned Cambodia with territorial integrity, a liberal economic regime, and multiparty liberal democracy. These are necessary conditions for achieving national reconciliation.

In spite of this, the Cambodian people will not remain idle and wait to be killed.

Finally, we regret the fact that the two reports by the UNSG did not refer to important and historic statements by Prince Norodom Sihanouk on 13 and 14 December 1992, and 7 and 26 January and 14 and 17 February 1993. We would like to recall that in his 13 December 1992 statement, the prince head of state and SNC chairman clearly said that UNTAC and the Phnom Penh side are responsible for the non-implementation of the 23 October 1991 Paris agreement. In his clarification on 17 February 1993, the prince astutely specified that the SNC does not have any power whatsoever; and because the SNC does not have any power, one cannot hold the SNC responsible for the failure of UNTAC's peace process in Cambodia. The fact is that the sense of responsibility cannot be separated from the sense of power.

Your Excellency, please forward the essence of my message to H.E. UNSG and the UNSC.

[Dated] 25 February
[Signed] Khieu Samphan, chairman of the PDK and SNC member

Khmer Rouge Attacks in Kompong Thom Reported

BK2602140393 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1200 GMT 26 Feb 93

[Text] Between 18 and 21 February, the Polpotist Khmer Rouge rebels intensified their military activities by shelling, wreaking havoc on, and committing barbarous crimes against innocent people in a number of areas in Kompong Thom province. According to a report from the Commission for the Coordination of Military Affairs with the United Nations of the Defense Ministry, during these four days, the Polpotist Khmer Rouge rebels from Divisions 616 and 802 carried out barbarous military activities against the people in Kompong Thom province, including fierce attacks and shellings on villages and communes in Stoung and Kompong Svay districts.

Our people were subjected to eight heavy attacks, including four shellings and four ground onslaughts. As a result, four people were killed and one wounded, a number of houses were burned, and some cattle and property were destroyed. Along with this, 26 villagers were commandeered as their ammunition porters and 396 families comprising 1,717 members fled their homes and villages.

Indonesia

Opposition Continues To Endorse Suharto, Sutrisno

BK2602135693 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 26 Feb 93

[Text] The Indonesian Democratic Party's stand on the nomination of the president and vice president remains unchanged and the party continues to uphold the resolution adopted at its last meeting in Bogor. Party Chairman Suryadi reiterated this to a RRI correspondents after he chaired a coordinated party meeting at Jakarta's parliament building this evening. Suryadi stressed that the party has no alternative candidates for the post of president and vice president and it sticks to its nomination of Suharto and Try Sutrisno for the two posts.

On the possibility of having to resort to a vote during the election of the new president and vice president in the coming session of the People's Consultative Assembly, Suryadi said such a possibility may occur. He added that his party would not support the popularization of the voting system.

[Begin Suryadi recording] Our political system is based on consultation and consensus and we must popularize the consensus tradition. Voting, however, is not something that we cannot do. If the conditions are right, voting should be done. But we should not popularize the voting system. As for our party, we will adopt the consensus system to the best of our ability. [end recording]

Meanwhile, speaking on the possible disturbances which may take place during the sessions, Suryadi said if such things do happen, they will not be initiated by the Indonesian Democratic Party. Like other parliamentary factions, the party wishes to see a peaceful and successful conclusion of the sessions. As for security arrangements inside the meeting hall, he said there are already existing regulations and, therefore, no security personnel are needed to supervise the session participants.

Suharto Urges Party To Uphold Discipline

BK2702074793 Jakarta ANTARA in English 0702 GMT 27 Feb 93

[Text] Jakarta, Feb. 27 (OANA/ANTARA)—President Suharto in his capacity as chairman of the ruling Golkar advisory board has ordered all members of the party's faction to uphold the organizational discipline with regard to promoting the success of the general session of the highest legislative body (MPR) scheduled from March 1 to 11.

In his written address read out by the chairman of Golkar's executive board, B.J. Habibie, at the opening of a meeting of members of Golkar's faction in the MPR here on Saturday, President Suharto said that the discipline of the organization is determined by the faction which receives inputs from the executive board.

"In its mechanism the executive board will always consult with the chairman of the Golkar advisory board," he said.

The meeting held to give inputs to faction members of Golkar prior to the MPR's general session was attended by all members of the Golkar faction in the MPR, Golkar senior members and cadres and heads of Golkar chapters from across the country including the wife of Vice President Sudharmono and cabinet ministers.

President Suharto also asked for maintaining the coordination, consultation and cooperation among the three channels and three factions—Golkar's, Armed Forces and regional representatives factions.

President Suharto also expected faction members to understand fully the mechanism and target of the general session and every decision must be reached through deliberative means which is the essence and spirit of the Pancasila democracy.

"We have to increase our sensitiveness towards the people's aspirations as part of our responsibility in carrying out the state's tasks entrusted to us by the people," he said.

President Suharto also emphasized the importance of making the General Assembly successful namely orderly, smooth, on time, safe and without any upheavals, able to maintain the national leadership in the hands of the new order to ensure the continuation of national development and able to produce a national policy guideline and decrees which are future-oriented to fulfill the aspirations of the people and maintain the national unity and cohesiveness.

The chairman of Golkar's faction Azwar Anas said all members of the party's faction must implement the policy which has been outlined by the executive board.

"The faction in the MPR is an executive body for the policies of the executive board and is responsible to the executive board," he said.

The main task of Golkar's faction is to fight to make Golkar's concepts become the policy guidelines, make the presidential and vice presidential election successful and promote MPR's respect as the holder of the people's sovereignty.

Azwar Anas said Golkar's faction during the general session plans to appeal to other factions to nominate retired General Suharto as the country's president for the next five-year term.

About the vice presidential candidate he said that Golkar's faction would nominate a figure according to the directives of the executive board.

Golkar Chairman Wahono said that Golkar's vice presidential candidate is a figure who meets the criteria already set by and consulted with Suharto as chairman of the advisory board. His name is to be announced Sunday, he said.

Wahono denied that his party was late in announcing its vice presidential candidate. Everything is carried out to make the nomination solid both constitutionally and ethically from the point of view of domestic and internation consideration, he said.

Many Golkar members said they believed that Try Sutrisno would become the party's vice presidential candidate but some of them still predicted about possible alternative candidates.

Ruling Party 'Still Studying' VP Nomination

BK2702093793 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 27 Feb 93

[Text] The Functional Group faction in the People's Consultative Assembly has no intention of dragging its feet in nominating the vice president for the 1993-98 tenure. Speaking to RRI during orientation sessions for faction members in Jakarta, Azwar Anas, chairman of the Functional Group faction said the faction, which represents the Golkar [Functional Group] Central Executive Council, is still studying the legal, ethical, and strategic aspects of the nomination for the sake of national unity. Azwar Anas added that the faction will heed instructions issued by the Golkar Central Executive Council which stress the importance of holding consultation and reaching consensus among all factions in the nomination of the president and vice president.

Minister Cautions on 'Surprise' Choice for VP

BK2702124593 Singapore THE STRAITS TIMES in English 24 Feb 93 p 17

[By Jakarta correspondent Paul Jacob]

[Text] Jakarta—A senior minister close to President Suharto has, for the second time in as many weeks, advised Indonesians to be prepared in the event of a surprise on the question of the country's next vice president.

Retired Admiral Sudomo, coordinating minister for political and security affairs, said there were specific procedures to follow in the nomination process; and indicated that these had not been adhered to thus far.

He reminded journalists yesterday that it was accepted practice for groups to first consult the new president-elect on their vice-presidential choice because both men must be able to work well together. "As of now, there is no president-elect," he said after calling on Mr. Suharto at his private residence in central Jakarta.

The country's highest legislative body, the People's Consultative Assembly (MPR), will convene next week and will elect the new president and vice president on March 10 and 11 respectively.

Adm. Sudomo acknowledged that the country's political system did not prohibit groups from putting forward their preferred candidate.

"It is the nature of politics," he said. "But what a pity, isn't it, if in the end he does not become the one."

He said previously that there could be a surprise in the eventual vice-presidential choice.

But his latest remarks were of particular interest because they came immediately after the talks with Mr. Suharto.

Mr Suharto has yet to comment about the momentum, which has developed and thrown up former Armed

Forces Chief Try Sutrisno, who stepped down last Friday, as the preferred vice presidential candidate.

Analysts say Mr. Suharto is uncomfortable with such early endorsements from groups like the Armed Forces and the Muslim-based United Development Party because they present him with a fait accompli.

They say this has also created a dilemma: it would be difficult to reject given the expectations built up—but equally difficult to accept without giving the impression that he is forced to do so.

Some analysts say Adm. Sudomo's comment that the choice rests with the president-elect appears designed to signal that regardless of what has taken place, it is Mr. Suharto—and he alone—who finally decides.

Mr. Suharto is assured of reelection having been already endorsed for another term by the five MPR factions—the military, United Development Party, Indonesian Democratic Party, the ruling Golkar [Functional Group], and regional representatives. Golkar and regional representatives have yet to announce their vice presidential candidate but are scheduled to finalise their decision later this week.

Nominates Sutrisno

BK2802130893 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 28 Feb 93

[Text] Wahono, Chairman of Golkar [Functional Group], this afternoon denied that the delay in announcing the nomination of the vice presidential candidate was because they wanted to emulate the decision taken by the other factions. Rather, Golkar, which was scheduled to nominate its vice presidential candidate, gave the other smaller factions first preference in nominating their candidates.

Clarifying this to newsmen at the Hotel Indonesia, Jakarta, Wahono, this afternoon, also stated that the nomination of Try Sutrisno as the vice presidential candidate for the 1993-98 period, was agreed to and approved by Haji Muhammed Suharto, Chief of the Golkar Central Executive Council. [passage indistinct]

Fretilin Members Surrender to Armed Forces

BK2502101293 Jakarta THE JAKARTA POST in English 17 Feb 93 p 2

[Text] Dili, East Timor (JP)—Six members of the FRETILIN [Revolutionary Front for an Independent East Timor] rebel movement armed with guns, grenades, bullets, and bows and arrows have surrendered to the Armed Forces (ABRI) troops in this former Portuguese colony.

The six, aged between 25 and 48 years, surrendered to ABRI troops in Malisaga village, Ermera regency, approximately 30 kilometers southeast of here, on Monday, following a call from the captured FRETILIN leader Jose Alexandre "Xanana" Gusmao. Xanana, who was arrested by the army's Special Troop team in Dili last November 20, is now being tried here on charges of inciting an armed rebellion and illegal possession of weapons. The charges carry a maximum penalty of life in prison.

Army Major L. Simbolon, chief of the information section of the Dili military command, told The JAKARTA POST yesterday that the six belonged to a FRETILIN unit commanded by Ernesto.

Simbolon did not say whether Ernesto had been captured, but said the six men were picked up by village ABRI members following receipt of information from a villager named Gosrat.

"They stated their acceptance of the integration of East Timor into Indonesia and declared loyalty to the government," Simbolon said.

The six are identified as Martino Soares, Agustino Peadade, Mario Barros, Alcino Soares, Manuel da Silva and Marques de Araujo.

The six reportedly told security officers that they had no thoughts of surrendering before, but decided to give themselves up after receiving a copy of Xanana's handwritten appeal to his followers calling for their surrender to ABRI.

They said they were encouraged by Xanana's statement that those surrendering to the authorities would be returned to their home villages and families.

Simbolon said the six had been returned to their families and were ordered to report to their village head every day to make sure they remain sincere with their pledge of loyalty to Indonesia and to insure they do not leave their villages.

A source at the military intelligence unit here predicted that Mauhunu, who reportedly took over FRETILIN leadership following the arrest of Xanana, would surrender soon for fear he would face military action similar to that faced by Xanana.

The source said Mauhunu was the last leader of FRETILIN in East Timor. "His surrender or capture means a loss of hope for the existing FRETILIN Rebels," he added.

Hundreds of FRETILIN members have either been captured or surrendered to ABRI over the past several years.

FRETILIN had allegedly masterminded the tragic clash between ABRI troops and anti-integration demonstrators at the Santa Cruz cemetery here on November 12, 1991. The government claimed that 50 people were killed in the bloody riot.

Laos

Leaders Pay Final Respects to Sisomphon Lovansai

BK2702034293 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 27 Feb 93

[Text] At 1500 yesterday, at the prime minister's Office Club, a ceremony was held to lay wreaths and pay homage to the remains of Sisomphon Lovansai, advisor to the party Central Committee, former Political Bureau member of the party Central Committee, and former vice chairman of the Supreme People's Assembly of the Lao People's Democratic Republic [LPDR], who passed away at 2205 on 24 February at the age of 77.

The homage and wreath laying ceremony was held in respective order beginning with the delegation of the party Central Committee and its advisors. The delegation was led by Khamtai Siphandon, chairman of the party Central Committee and prime minister of the LPDR; and Nouhak Phoumsavan, Political Bureau member of the party Central Committee and president of the LPDR. This group was followed by a delegation of representatives of the National Assembly led by Saman Vi-gnaket, chairman of the National Assembly; a group of government representatives led by Khamphoui Keoboualapha, deputy prime minister and chairman of the Board of Planning and Cooperation; and the delegation of the Lao Front for National Construction [LFNC] led by Maisouk Saisompheng, chairman of the LFNC Central Committee.

Afterwards, representatives of various ministries and organizations of equivalent ministry status from the center laid wreaths and paid last tributes to the remains of deceased Sisomphon Lovansai. There were groups of representatives of the Prime Minister's Office, the Ministry of National Defense, the Ministry of Interior, the Ministry of Foreign Affairs, the Lao People's Revolutionary Youth Union Central Committee, the Federation of Lao Trade Unions Central Committee, and representatives of Lao youth unions.

While paying homage to the remains of Sisomphon Lovansai, each delegation expressed deep sorrow and regret over his death. The passing away of Sisomphon Lovansai is a great loss which brings grief and mourning to the entire party and Army, as well as all Lao people throughout the country. Paying homage and final tributes to the remains of Sisomphon Lovansai will continue until 28 February, from 0900 to 1200 for the morning session and from 1430 to 1700 for the afternoon session.

SRV Delegation Arrives for Funeral

BK2802143293 Hanoi VNA in English 1342 GMT 28 Feb 93

[Text] Hanoi VNA Feb. 28—A delegation of the Communist Party of Vietnam led by Le Phuoc Tho, politburo member, secretary of the Party Central Committee and head of its organization committee, arrived in Vientiane today to attend the funeral of Sisomphon Lovansai, advisor to the Lao Party Central Committee, former politburo member of the Party Central Committee and vice president of the Supreme People's Assembly .

Meets Assembly Chairman

BK0103093993 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 1 Mar 93

[Text] Comrade Saman Vi-gnaket, Political Bureau member of the party Central Committee and chairman of the National Assembly of the Lao People's Democratic Republic, received Comrade Le Phuoc Tho, Political Bureau member of the Communist Party of Vietnam [CPV] Central Committee and director of the Organization Department of the CPV Central Committee, and his delegation on the afternoon of 29 February in the capital of Vientiane.

Comrade Saman Vi-gnaket and Comrade Le Phouc Tho expressed grief and sorrow over the passing away of Sisomphon Lovansai, former Political Bureau member of the party Central Committee, former deputy chairman of the Supreme People's Assembly, and advisor to the Lao People's Revolutionary Party Central Committee.

Comrade Saman Vi-gnaket pointed out that the participation in the funeral of Sisomphon Lovansai by the high-level delegation of the CPV has once again shown the incessant enhancement and development of the long-standing special solidarity and all-around cooperation between the parties, states, and peoples of the two countries, Laos and Vietnam.

Further, the two persons also informed each other of the situation in their respective countries and exchanged views on various issues of mutual interest.

The CPV delegation led by Comrade Le Phouc Tho arrived in Vientiane on the morning of 28 February to attend the funeral of Sisomphon Lovansai.

Diplomats, SRV Delegation Pay Respects

BK0103102993 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 1 Mar 93

[Text] The official ceremony of paying homage to the remains of Sisomphon Lovansai, former Political Bureau member of the party Central Committee, former deputy chairman of the Supreme People's Assembly, and advisor to the Party Central Committee, entered the third day on 28 February.

Yesterday, diplomatic corps from embassies of 22 countries in Vientiane and representatives of various international organizations in Laos laid wreaths to pay respect to the deceased Somphon Lovansai, one after another at the lying in state of the remains at the Prime Minister's Office following the end of religious rites.

On the afternoon of the same day, the committee in charge of the funeral of Sisomphon Lovansai received Le

Phuoc Tho, Political Bureau member of the Communist Party of Vietnam [CPV] Central Committee, director of the Organization Department of the CPV Central Committee, and his delegation, who went there to lay a wreath and pay homage to the late Sisomphon Lovansai.

The cremation ceremony for Sisomphon Lovansai will be held this afternoon at Vat That Louang in Vientiane.

On the previous day, 27 February, representatives of ministries and organizations of equivalent status from the center; party committees; administrative committees; and people of various strata in Vientiane Capital, Bolikhamsai Province, and Khammouane Province, alternately laid wreaths to pay last tribute to the remains of Sisomphon Lovansai, amidst the atmosphere of grievous sorrow and condolences.

Leaders Attend Mourning Ceremony

BK0103143793 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 1 Mar 93

[Text] Respected listeners, the funeral committee for Sisomphon Lovansai, advisor to the party Central Committee, today held an official mourning ceremony to express condolences to the soul of Sisomphon Lovansai. He passed away due to illness at 2205 on 24 February at the age of 77.

This morning at 0930, an official ceremony was held to pay last tribute and express condolences to the soul of the deceased. It was held at the Prime Minister's Office Club in Vientiane, where the remains of Sisomphon Lovansai have been kept.

The ceremony was attended by Khamtai Siphandon, chairman of the Lao People's Revolutionary Party [LPRP] Central Committee; Nouhak Phoumsavan, Political Bureau member of the party Central Committee and president of the Lao People's Democratic Republic; standing members of the party Central Committee; members of the government; members of the party Central Committee; ministers and deputy ministers; members of the National Assembly; representatives of various mass organizations; and representatives of various government services in the center.

Le Phuoc Tho, Political Bureau member of the Communist Party of Vietnam [CPV] Central Committee and director of the Organization Department of the CPV Central Committee, and his delegation also participated in the ceremony.

Members of the diplomatic corps accredited to Laos and representatives of international organizations in Laos were also present at the ceremony.

Foreign Ministry Delegation Leaves for Cuba

BK2602142693 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 26 Feb 93

[Text] The delegation of the Foreign Affairs Ministry led by Phongsavat Keola, deputy minister for foreign affairs, left Vientiane for a friendship visit to the Republic of Cuba on the morning of 26 February at the invitation of the Foreign Ministry of the Republic of Cuba.

The visit to Cuba by the Lao delegation is aimed at further strengthening and deepening the long-standing and traditional relations of friendship, solidarity, and cooperation between Laos and Cuba.

WHO Official Arrives, Meets Phoun Sipaseut

BK2702103293 Vientiane KPL in English 0902 GMT 27 Feb 93

[Text] Vientiane, February 27 (KPL)—Vice Prime Minister Phoun Sipaseut, who is also in charge of foreign affairs, yesterday received Mr. Han, the regional director of the World Health Organisation and his party, who are currently visiting Lao PDR [Lao People's Democratic Republic].

The vice prime minister and the WHO mission discussed issues concerning effective relations and assistance between Laos and WHO over the years.

Phoun Sipaseut said this visit of the WHO mission represented WHO's attention to Laos manifesting in its continued assistance.

Acting Minister of Pubic Health Prof. Vannalet Latsapho was present at the airport on February 25 to welcome the regional director of WHO.

Meets Nouhak Phoumsavan

BK0103123093 Vientiane KPL in English 0910 GMT 1 Mar 93

[Text] Vientiane, March 1 (KPL)—Lao PDR [People's Democratic Republic] President Nouhak Phoumsavan, on February 27 received at the Presidential Palace Dr. Han, regional director of the World Health Organisation (WHO), and his party who are here for the visit from February 25 to March 2.

The Lao president and the WHO regional director discussed relations and cooperation in public health sector between Laos and WHO. President Nouhak Phoumsavan expressed thanks for WHO's assistance which has contributed toward improving health and livelihood of the Lao people.

Dr. Han has been to Laos for several times and this time he will have meetings with Lao authorities concerned and with WHO's representative to Laos and will visit archaeological sites in Vientiane Municipality, Vientiane Province, and Champassak Province.

After Laos, the WHO regional director and his delegation will visit Vietnam.

Philippines

Police Report 2 Bombs Involved in Airport Blast

HK2802045593 Hong Kong AFP in English 0536 GMT 28 Feb 93

[Excerpt] Zamboanga, Philippines, Feb 28 (AFP)—Two powerful bombs ripped through the Zamboanga International Airport here Sunday [28 February], leaving 15 people injured and the terminal building in ruins, police said. The force of the blasts caused the entire roof of the building to collapse. Airport officials cancelled all traffic indefinitely. Six of the injured, including a policeman assigned to guard the airport, were in critical condition, hospital sources in this southern city said. Three of the casualties are policemen. No foreign tourists were known to be among the casualties, Senior Superintendent Vicente Dumpit said.

The first blast occurred inside the pre-departure lounge at about 8 a.m. (0000 GMT) as passengers were boarding a Philippine Airlines (PAL) Boeing 737 flight to Manila and passengers of a PAL Fokker 50 plane to the extreme southern province of Tawi-Tawi were getting ready to board. A second explosion ripped through the building at about 11 a.m. (0300 GMT) as police cordoned off the terminal and searched the wreckage. No casualties were immediately reported in the second blast.

The regional police head, Chief Superintendent Job Mayo, suspect Moslem terrorists of planting the bombs. Police said the first explosion was caused by a two-kilogram (4.5-pound) home-made bomb packed with explosives, a grenade and nails. Police ordnance teams later recovered a plastic bag reeking of gasoline inside the building. A waitress at a coffee shop inside the airport terminal said a man carrying the gasoline-soaked bag had coffee there immediately before the first explosion. He left the bag behind when he departed without finishing his drink, said the witness, who was hustled by police into one of their vehicles. [passage omitted]

'Moslem Terrorists' Suspected

HK2802033493 Hong Kong AFP in English 0301 GMT 28 Feb 93

[Text] Zamboanga, Philippines, Feb 28 (AFP)—A powerful bomb ripped through the Zamboanga International Airport building early Sunday, leaving 15 people injured, one of them seriously, police in this southern city said. The force of the blast caused the airport's ceiling to collapse. Three of the injured were policemen assigned to guard the airport terminal and one of them was listed in serious condition, Senior Police Superintendent Vicente Dumpit said. No foreign tourists were known to be among the casualties, Dumpit added.

A senior police official said Moslem separatist guerrillas had planted a two-kilogram (four and a half pound) explosive at the pre- departure lounge, which was filled with passengers waiting to board two domestic flights. The blast occurred at about 8:00 a.m. (2400 GMT Saturday) just before a Philippine Airlines (PAL) Boeing 737 was to leave for Manila and a PAL Fokker 50 was due to take off for the southern province of Tawi-Tawi. Dumpit said police were investigating how the explosive was smuggled into the pre-departure lounge, which is a restricted access area. It was not known whether the bomb was intended to be loaded on either of the two departing aircraft.

The two PAL flights were not immediately allowed to take off as police searched the airport terminal. However, seven other domestic flights were to proceed as scheduled, airport manager Arthur Balada said. There are no regular international flights to Zamboanga, which is used as an alternate if either the Manila airport or the Cebu airport in the central Philippines is closed.

Chief Superintendent Mayo said additional military units would take up positions at Zamboanga Airport to tighten security. Regional police Chief Superintendent Job Mayo told reporters "Moslem terrorists" were suspected to be responsible for the bombing, which follows a major military offensive against the Moro National Liberation Front (MNLF) on nearby Basilan island last week. Twenty- two MNLF guerrillas were slain in the operation. The operation was conducted by three marine battalions and an army battalion in retaliation for the massacre of 21 marines and six government militia by suspected MNLF rebels on the island earlier this month.

Muslim Rebels Deny Responsibility

HK0103014493 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 28 Feb 93

[Text] More than twenty people were injured when a bomb exploded at Zamboanga City Airport at around 0800 (0000 GMT) yesterday, minutes before the first flights out of the city were scheduled to take off, destroying a huge portion of the airport's departure and commercial area.

Authorities were able to discover another bomb and some gasoline just minutes after the explosion, preventing another explosion and further damage to the area. Those injured in the blast, six of whom are now in critical condition, were immediately brought to different hospitals throughout the city. All flights in and out of the airport were canceled, stranding thousands of passengers in the city, in particular those who attended the National Private Schools Athletic Association Games.

Authorities believe that either Muslim bandits responsible for the massacre in Basilan or warring families in the province were responsible for the blast. General Raul Imperial, deputy director of the Philippine National Police [PNP], has ordered Chief Superintendent Job Mayo Jr. of the PNP Regional Command to launch an investigation to determine who was responsible for the blast. To date, no terrorist group has claimed responsibility.

In related news, Muslim rebels who deserted the Moro National Liberation Front have denied responsibility for the blast. According to (Zaim Ali), spokesperson for the Muslim separatist renegades, it is against their principles to involve innocent civilians. The Muslim renegades are suspected of massacring more than 25 soldiers in Basilan, and authorities believe that the Zamboanga blast is their way of retaliating for the government's military operations against them.

MNLF Chairman Denies Responsibility

HK0103094293 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 1 Mar 93

[Text] Nur Misuari, Moro National Liberation Front [MNLF] chairman, has denied accusations that the MNLF is responsible for the bombing incident at the Zamboanga International Airport yesterday. Misuari said the MNLF has no knowledge about the incident. The Muslim rebel leader clarified he does not agree with violence such as yesterday's incident which resulted to the wounding of 25 persons. Authorities earlier said the bombing might be the work of rebel Muslims or the MNLF lost command in reaction to ongoing military operations in Mindanao. Here is part of MNLF Chairman Nur Misuari's statement:

[Begin Misuari recording in English] As much as possible, all conflicts between both the MNLF and the Philippine Government, as well as all concerned parties, should stop from any kind of hostility in order to give peace a chance once again. I have been unfavorably portrayed for being so lenient and too trusting with the Philippine Government. [end recording]

Misuari expressed confidence that the government's peace process between the rightist and leftist groups will succeed in order to achieve peace, especially in the Mindanao region.

[Begin Misuari recording in English] Unless this trouble in Basilan will create a chain reaction and trouble for the rest of our homeland of Mindanao through a war with the Armed Forces of the Philippines, then the MNLF will continue to pursue the end of peace, I mean, to continue the peace process with the Philippine Armed Forces. [end recording]

Meanwhile, Senator Santanina Rasul has clarified today that the MNLF cessationist rebels had nothing to do with the bombing of the Zamboanga International Airport. Rasul said she does not believe that MNLF members are responsible for the violent act, adding that their were many Muslims who were wounded in the incident.

Rasul further said she received unconfirmed reports that airport police have confiscated some firearms from an unidentified passenger. This, she said, may have been a possible cause for the airport bombing.

Police Suspect Crime Syndicates

HK0103062093 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 1 Mar 93

[Text] There is a major possibility that business conflict was the cause of yesterday's explosion in Zamboanga City. In an interview with DZMM this morning, Chief Superintendent Job Mayo, Philippine National Police [PNP] Regional Command 9 commander, said that this initial finding on the bombing that injured 30 individuals was based on interviews with shop owners at the airport. Mayo added that it is unlikely that the incident is linked to the ongoing military operations against Muslim bandits in Basilan. It appears, he said, that the explosion was due to rivalry among crime syndicates that want to control business at the airport.

[Begin Mayo recording] Well, it appears that several syndicates are fighting one another. It's just business. For some people here, that is the answer. Just as in previous incidents, several groups are fighting one another for economic supremacy. That is what we are investigating now. We got an artist to help identify the person who had stopped for a cup of coffee before leaving the bag [containing the explosives]. [end recording].

Earlier, PNP Director General Raul Imperial ordered the PNP Regional Command to identify the suspects in the incident and called for security at the airport to be tightened.

Based on a report, the explosion damaged the ticketing office of Swiftair and five shops inside the airport lobby. After the explosion, policemen found a gallon of gasoline and another unexploded bomb inside a cookie tin about 10 meters from the first explosion. Authorities suspect that those behind the explosion also wanted to burn down the airport terminal. Several policemen, five children, and several other civilians were reported to have been injured in the blast.

Meanwhile, the Moro National Liberation Front denied responsibility for the explosion. MNLF Spokesman (Zaim Ali) said involving civilians in their battles is against MNLF policy.

Ramos Tells Military To Pursue National Growth

HK2502034293 Manila MANILA BULLETIN in English 25 Feb 93 p 1

[Report by Isabel C. de Leon]

[Text] President Ramos, Armed Forces of the Philippines (AFP) commander-in-chief, ordered yesterday the AFP to restructure its organization with emphasis on greater discipline and professionalism in its new role "as a viable partner of the government in the pursuit of national growth and development."

He denied reports of a massive revamp in the AFP similar to that in the Philippine National Police (PNP).

In a meeting Tuesday night with AFP generals, Ramos said the military has to reorient its thrust towards economic competitiveness and gear itself to a new role in national development.

He added that proper mechanisms should be put in place to assure the people that professionalism and discipline are enforced in the AFP.

Annabelle Tecson Abaya, presidential spokeswoman, described the president's meeting with the generals as "very cordial. It was a family council. It was coming home to the old boy network."

She said Ramos emphasized that the AFP is going to have a new role as a partner in the pursuit of national growth and development and that the thrust now is economic development and competitiveness.

"The generals were asked to restructure the military organization and discuss among themselves on how they can make themselves more relevant to the goal of the national government," she added.

Marcos Loyalists: No More Coup Attempts

HK2602034293 Manila THE MANILA CHRONICLE in English 26 Feb 93 p 6

[Report by Redempto Anda]

[Text] Military rebels loyal to the late president Ferdinand Marcos have assured the present administration they would not launch another coup as a gesture of support to the peace initiatives of the Ramos government.

Former Brig. Gen. Jose Ma. [Maria] Zumel said at a recent peace dialogue that his group had "complete trust" in the efforts of the National Unification Commission (NUC) in forging a peace agenda.

"We can control our people. We have guaranteed the government that insofar as my group is concerned, there will be no trouble," Zumel said.

The loyalists in 1987 bungled a coup attempt against the then fledgling government of Mrs Corazon Aquino by holing up at the Manila Hotel in an apparent attempt to trigger a mutiny.

They eventually joined forces with the Rebolusyunaryong Alyansang Makabansa [Reform the Armed Forces Movement] (RAM) in launching the bloodiest military rebellion against the Aquino government in December 1989.

Zumel simply laughed off observations that his group did not any more pose a threat to the government. "That was the same attitude of the former government towards us, that we are a spent force, but you saw what happened," he said, apparently referring to the 1989 coup.

He expressed satisfaction in their ongoing negotiations with the government panel led by law professor Alfredo Tadiar, but criticized the government for delaying action on the return of the body of Marcos from Hawaii.

The issue of the return of Marcos' remains had been closed by both panels in the negotiations, as they agreed to let Malacanang decide the final arrangements relating to the date and manner of bringing back the remains.

"Unless they (government) have strong reasons for not allowing the return of the body, we see no reason for the delay. If they have reasons, dapat sabihin nila sa tao [then they should tell the people about them]," Zumel said.

Asked if it was possible that some Marcos loyalists could create disturbances once the body is brought back to Manila, Zumel said they were prepared to control "our own people."

Editorial Praises Criticism of Armitage 'Tirade'

HK0103034593 Manila PHILIPPINE DAILY INQUIRER in English 1 Mar 93 p 4

[Editorial: "An Angry American"]

[Text] Finally, a word from Alfredo Bengzon, the object of Richard Armitage's tirade a couple of weeks ago. That tirade passed for an analysis of what happened during the bases talks, and blamed Bengzon for their collapse. To Armitage's charge that he acted maliciously and deceitfully, and plotted to scuttle the talks from the start, Bengzon answers: The Fellow is an—

Well, he says, an arrogant and narrow-minded bully.

I don't know that we shouldn't envy Bengzon for having been singled out by Armitage for the signal honor of having spearheaded the defeat of the U.S. bases treaty. It is an honor, which belongs by right to Wigberto Tanada. Had Armitage done it before the elections, Bengzon might even now be plotting his way to the presidency. It's almost axiomatic that, if Armitage doesn't like you, you must have done something right.

Armitage seemed, says Bengzon quite reasonably, "unable to distinguish between the interests of the United States and the aspirations of our people." At one point, Armitage said, "I believe that between Philippine interests and the desires of the United States, there are no fundamental differences." "He was constantly conveying to us the message that he knew what was good for us better than we did, and if we did not agree, then we were either stupid or duplicitous."

It is not hard to believe all these. Armitage is his own refutation. Read the series again and see if it does not smack of arrogance, narrow-mindedness, the antics of a bully, and all the other things Bengzon says it does. We said the same things in an editorial shortly after it came out. The series, we said, was revealing not for what it said but for what it was. It was that arrogance, that narrow-mindedness, and not all the things—or people—Armitage kept blaming, that made the talks fail.

But we did say also that the talks did not fail. They succeeded magnificently. The Filipinos rejected the treaty.

Beyond the series, there was Armitage in the flesh strutting about, a frown pasted on his face like an inoperable scar, surveying the country with the greatest loathing, like an ill-tempered functionary who had been sent to the outposts of empire. He did not have to talk to send the message that he knew what was good for us better than we did—even if he did that quite a lot. He just had to be.

It did not help either that the Americans who came along, among them analysts of the Heritage Foundation, and among them one Marjorie Niehaus, showed only the most spectacular despotism and greed. The greed came with wanting more and more for less and less. If they had offered to exchange colored beads for gold earrings, they could not have shown more contempt for a primitive race—or one they held to be so.

Bengzon is right: The heart of the matter was the monumental illusion harbored by Armitage and his ilk that what the Americans wanted was best for the Filipinos. But you wonder why it had to take the bases talks for anyone to see this. It has always been there. It's been there longer than anyone can remember, or cares to. That is the very foundation of "special relations": The Filipino and American causes are one. But well, some oneness are more equal than others. In this case, it's what the Americans say that goes. The Filipinos may not argue for their cause. They have no cause to argue that the Americans may not argue for them.

But Jose Rizal was right, too. You flog the indio [native] to death, and he will grunt and groan and bear the pain like the cattle he has become. But you prick his amor propio [pride] and he will sharpen his bolo [jungle knife] in the night—and woe to him that comes in his path at break of day.

Drop in Foreign Equity Investments Reported

HK2602034093 Manila THE MANILA CHRONICLE in English 26 Feb 93 p 11

[Report by Gil C. Cabacungan Jr.]

[Text] The country's unresolved power problem and the prolonged recession gripping the world's leading economies both led to a substantial cutback in foreign equity investments in the country last year.

Data released by the Central Bank (CB) showed that foreign equity investments plunged by 21% to $327.899 million in 1992 from $415.292 million in 1991.

The equity investments monitored by the CB represent actual dollar infusions by foreign companies into the country.

The manufacturing sector, which fell prey to the chronic power outages and a sluggish economy, bore the brunt of the hefty drop in equity investments last year. Foreign investments in this sector tumbled by 39.17% to $181.818 million year from $298.908 million in 1991.

Among the manufacturing areas hard-hit were: chemical products, metal products, machines and appliances.

Foreign investments in mining, particularly in the field of geothermal energy, decreased by 60% to $12.234 million last year from $30.538 million in 1991.

Foreign equity infusions in commerce, mainly real estate, also slipped by 19% to $17.998 million last year from $22.238 million in 1991.

Meanwhile, foreign investors shifted their interest to other areas which were not vulnerable to the power crisis. Foreign investments in the services sector, particularly in the restaurant and hotel business, jumped by 134% to $114.645 million last year from $55.888 million in 1991.

Foreign equity was also funnelled into the financial sector which rose by 20% to $36.537 million last year from $30.534 million during the previous year. Foreign direct investments in public utility and construction activities chalked up significant increases.

Besides the nagging power outages, a slowdown in the major economies of the world also forced the country's major foreign investors to hold on to their capital meantime.

Japan, reeling from a recession back home, slowed its investments by 22.3% to $154.329 million last year from its year-ago level of $188.747 million.

Despite the large decline, however, Japan remained as the biggest foreign investor in the country with a 47% share of total foreign equity infusion.

Ramos Signs New Law Targeted at Tax Evaders

HK2502032793 Manila THE MANILA CHRONICLE in English 25 Feb 93 p 7

[Report by Manny Mogato]

[Excerpt] President Ramos yesterday signed into law a revenue measure creating units that will run after tax evaders among the country's biggest corporations and generate an additional P1-billion [Philippine pesos] to bridge the government's budget gap.

This is the Ramos administration's third revenue-enhancement measure envisioned to close the national government's projected P25 billion budget deficit this year.

In a brief ceremony at Malacanang's ceremonial hall, the president signed Republic Act 7646 which will empower the Bureau of Internal Revenue (BIR) commissioner to prescribe the venue where large tax-payers can pay their taxes.

With the country's top 2,000 corporations as its target, the new law is expected to generate an additional P1 billion revenue for the government.

According to the amended Revenue Code, a "large taxpayer" is a business establishment with any of the following:

—Value-added tax (VAT) paid or payable of at least P100,000 for any quarter of the preceding taxable year,

—Excise tax paid or payable of at least P1 million for the preceding taxable year;

—Annual income tax paid or payable of at least P1 million for the preceding taxable year; and

—Withholding tax payment or remittance of at least P1 million for the preceding taxable year.

Depending on the prescription of the BIR commissioner, large taxpayers may pay their taxes through BIR collection officers or through duly accredited banks.

Presidential spokesperson Annabelle Abaya said the new law "is expected to further improve the revenue collection efforts of the government." [passage omitted]

Japanese Bank Blocks Power Projects Loans

HK0103090593 Manila BUSINESS WORLD in English 1 Mar 93 pp 1, 5

[Report by Estela B. de la Paz]

[Text] The Export-Import Bank of Japan (Eximbank) has temporarily withheld the release of loans for the second 300-megawatt [MW] Bataan combined-cycle project and the 200-MW Mindanao diesel barges due to "uncertainties" in the implementation of the P0.18 [Philippine pesos] per kilowatt-hour rate increase, according to a letter sent by Eximbank to the National Power Corp. [corporation] (Napocor). Implementation of the power rate increase was stopped by a Supreme Court temporary restraining order (TRO).

"The present situation does not (enable us) to judge that the performance of Napocor's reform program is satisfactory enough to make our loans effective," Eximbank director Hiroshi Yoshida said in his letter.

Mr. Yoshida said the rate increase is "imperative for Napocor to recover its viable financial structure. Unless the rate increase is implemented, we may not be able to proceed our loans to Napocor due to lack of financial healthiness."

Given the importance of the two projects in insuring a steady power supply for the country, Mr Yoshida said a temporary letter of credit (L/C) may be opened.

He added that an amendment will be made in the loan agreements to allow part of the foreign currency eligible for reimbursement once the TRO on the P0.18/kwh has been lifted.

Because of the importance of the second 300-MW combined-cycle project to the fast-track power program of Napocor, the power firm will be bridge-financing $63 million needed for the shipments coming in by end-March.

Based on the latest schedule on the entry of the fast-track power projects, 140 MW will be coming in between June and July from the second Bataan combined cycle project.

The cost of the 200-MW Mindanao power barges will be around $294 million while the second Bataan combined-cycle project will cost around $300 million.

The effects of such "unpredictable" moves by Government were echoed by Enron Development Corp. officials, who told Business World the Philippines may lose its attractiveness to other countries like Thailand, Indonesia and Malaysia which are now only starting with the build-operate-transfer concept.

Rebecca Mark, Enron president, said the allegations on Enron's 105-MW diesel plant contract came at a critical time when the financing was about to be approved by its creditors. Moreover, money has already been sunk in as the project is almost finished.

She added that Napocor has been straight in its dealings with Enron and the price offered at P1.99 per kilowatt-hour for the first ten years will drop to about P0.60/kwh for the remaining ten years. Thus, average cost of power will be P1.38/kwh over 20 years.

She said it would be hard to compare Enron with the Tomen/Alson contract for a 58-MW diesel plant as each contract entered into by Napocor has different technical requirements such as heat rate, plant availability, siting.

Sources said the Asian Development Bank (ADB) has been hedging on its promise to approve a $26.5 million loan for the project due to allegations against the project.

Despite these problems, Ms. Mark assured the plant will come onstream as scheduled in April.

Thailand

Chawalit Wraps Up Saudi Murder Investigation

BK2702034393 Bangkok THE NATION in English 27 Feb 93 pp A1, A3

[Text] An Interior Ministry inquiry has blamed the murder of four Saudi diplomats on foreign terrorists seeking revenge for the death of hundreds of pilgrims killed by Saudi security forces during a bloody riot in Mecca in 1987. The committee also found ample evidence to prosecute Pol Lt Col Somkhit Bunthanom for the murder of missing Saudi businessman Muhammad al-Ruwayli, a labour broker who sent Thai workers to Saudi Arabia, Interior Minister Chawalit Yongchaiyut said yesterday.

"Thai authorities were told by Interpol that an international terrorist group called Jund Al-Haqq [name as published] had claimed responsibility for a series of attacks against Saudi diplomats in Turkey and Pakistan, as well as the killing of Third Secretary Zoleh al-Maliki on Jan 4, 1989, in Bangkok," Gen Chawalit told a press conference at the ministry.

The committee, chaired by Deputy Permanent Secretary for Interior Ari Wong-araya, did not directly link the terrorist group with the murders of three other Saudi diplomats on Feb 1, 1990—but the connection was strongly implied.

The international terrorist link was one of the first theories discarded by Thai police in their investigation into the deaths of the three Saudi diplomats in 1990.

On Feb 1, 1990, Second Secretary Fahd 'Abdallah al-Bali and Attache Ahmad 'Abdallah al-Za'if were shot dead in front of their residence. Second Secretary 'Abdallah al-Bezarih was killed in a parking lot the same day.

Chawalit said the committee, however, found that a Thai identified only as Yutthaphum had tried unsuccessfully to hire local gunmen to kill the three Saudi diplomats.

According to witnesses, the man was later in the company of a group of Persian-looking foreigners believed to be assassins, the minister said.

"The man had been seen going in and coming out of the embassy of the country involved in the dispute over the Mecca incident. He was granted asylum in that country after the killings of the three Saudi diplomats," he said.

Chawalit said the assassins were believed to have returned to the same country. He was careful not to name the country concerned.

Iranians on pilgrimage to the holy city of Mecca in Saudi Arabia in 1987 clashed with anti-Iranian pilgrims and Saudi police. More than 400 people were killed. Iran and Saudi Arabia broke diplomatic ties the next year as a result.

Deputy Permanent Secretary Ari said his committee believed the assassins of the three Saudi diplomats were also foreigners because the 6.36 mm calibre handguns they used were not popular among Thai hired gunmen.

"The Saudi Embassy in Bangkok had on two occasions sought from Thai police extra protection against possible terrorist attacks after the 1989 murder (of al-Maliki)," Aree said. That's why we believe an international terrorist group was behind the killings in 1990.

Asked to identify the nationality of the assassins, Ari said he could not name the country for fear it would affect bilateral relations.

I can only say that the Jund Al-Haqq's targets have been almost always Saudis and Israelis, Ari said.

"The assassins came to Thailand about three days before the killing took place."

Ari, asked to explain why Thai police initially ruled out an international terrorist link said investigators at the time were working under the pressure of time constraints.

"They were so preoccupied with other theories that they overlooked the international terrorist link and the (court) case resulted in an acquittal," Ari said. The court two years ago acquitted Suchat Harabi—the only person tried in connection with the killings in February 1990—because of insufficient evidence.

According to the committee report, other theories considered as possible motives for the February 1990 killing, but discarded, were:

—Conflict of interest derived from the job placement service for Thai workers seeking employment in Saudi Arabia. Investigators have been unable to establish a link between the victims and any Thai recruitment companies.

—Trafficking of illegal goods, including marijuana (by Saudi Embassy officials) through diplomatic mail from the Saudi Embassy in Bangkok. Police dropped this theory after being convinced of the embassy's strict controls on diplomatic mail.

—Revenge for the deportation of Munih Ahmad, leader of a Pattaya-based Saudi gang, to face criminal charges in Saudi Arabia. The theory was discarded because former Saudi Charge d'Affaires Chubili [as published], who was also involved in the extradition, had not been targeted.

Chawalit said he believed Saudi businessman al-Ruwayli, who has been missing for almost three years, was killed.

"No foreigner can remain missing in Thailand for this long without being discovered," the interior minister said. But he offered no motive for the murder. Only days after the February 1990 killings, the prominent Saudi businessman, who was closely related to the Saudi royal family, disappeared and is presumed dead. It is alleged he was taken from his home for questioning by a police team led by Somkit.

On the 1990 jewellery theft from a Saudi royal palace in Riyadh by a Thai worker and an unknown number of accomplices, Chawalit said a separate investigation committee had yet to determine the particulars and characteristics of the stolen items as well as their exact number and weight.

Thai worker Kriangkrai Tetchamong, 43, was convicted by a Thai court of stealing Bt [baht] 500 million worth of jewellery from a Saudi Arabian palace in early 1990. Kriangkrai completed his jail term last year. Police said they returned all the jewellery they retrieved from Kriangkrai to Riyadh. But the Saudis say much of it was fake, and want Kriangkrai to go to Saudi Arabia to testify. He has refused for fear of his safety.

Prime Minister Chuan Likphai said yesterday he received the Interior Ministry committee's report on Thursday and was pleased with the speed with which the committee completed its findings.

"Fact will be fact. And we will adhere to the fact, whether or not we will be able to bring to justice the perpetrators of the crimes," Chuan said yesterday morning before the ministry made public its report.

Saudi Arabia, upset at the lack of progress in the cases, stopped issuing visas for Thai workers seeking employment in the Gulf nation in late 1990. Some 140,000 Thais were working in the kingdom before Iraq's invasion of Kuwait in August 1990, with 50,000 there in May 1991.

Saudi Charge Reacts

BK2702034593 Bangkok THE NATION in English 27 Feb 93 p A1

[Text] Saudi Charge d'Affairs Muhammad Sa'id Khujah has implied he's still dissatisfied with results of the investigation of the three Saudi cases and wants the Interior Ministry to hand over all the evidence within two weeks. He praised the continuous efforts of the Thai government under Prime Minister Chuan Likphai to solve the murders of three Saudi diplomats, the disappearance of a Saudi businessman and the Saudi gems theft.

But in an emotional outburst, he banged the table as he lashed out at a Thai politician he called "the old man" who he said had declared publicly that Thailand was not a Saudi colony and did not have to yield to Saudi demands. Khujah declined to name the politician, whom he accused of talking "silly nonsense".

But former prime minister Chatchai Chunhawan, the Chat Phatthana Party leader, on Saturday accused the Chuan administration of yielding to Saudi pressure in urging jewel thief Kriangkrai Tetchamong to go to Riyadh and declared, "Thailand is not a colony of any country".

"All three cases occurred during his (that politician's) tenure, but he did nothing. Why does he himself demand that the Chuan government investigate the cases? That politician has a child's brain," Khujah said.

"That politician has lost his mind when saying that. What kind of politicians has Thailand?"

He said the "old man" suggested Saudi should be grateful to Thailand for providing a medical team and facilities during the Gulf War.

"During the Gulf War, Saudi in return helped Thailand by reducing the oil price to bring the price ceiling down while Iraq and Kuwait increased the oil price."

Khujah was speaking at a press conference at his residence six hours after Interior Minister Gen Chawalit Yongchaiyut announced the results of the investigation into the three outstanding Saudi cases.

Chawalit yesterday said a Thai policeman would be charged with killing missing Saudi businessman Muhammad al-Ruwayli and announced that an inquiry had concluded foreign gunmen from a nation unfriendly to Riyadh had killed the three Saudi diplomats.

Khujah said Chawalit did not consult him before announcing the findings. Khujah said he wanted to see the evidence to back up the findings.

"There is one of the point I really want to know. [sentence as published] Based on Gen Chawalit's announcement that Pol Lt Col Somkhit Bunthanom abducted the Saudi businessman, what reason would the police officer have to abduct the Saudi businessman?" Khujah said.

The envoy, who has heart disease became outraged when asked if he agreed with a suggestion that Saudi authorities send a team to Thailand to interview Kriangkrai, who has refused to go to Riyadh.

"Why do people have to ask me this same question? We have guaranteed the safety of Kriangkrai. We, Muslim people and a Muslim country...keep our promises," Khujah said. Saudis understood well that a criminal who was convicted and punished in one country should not be punished in another country, he said.

Insurance Company's Affiliation Affects U.S. Ties

BK2702023593 Bangkok THE NATION in English 27 Feb 93 p B1, B8

[Text] To be Thai or not to be Thai, is not just the burning question for Universal Insurance Co Ltd, a subsidiary of the giant American International Assurance Group, but also for US and Thai government officials. The nationality of the firm has became the latest thorn in the side of Thai-US trade relations, as Washington seemingly increases economic pressure on the Thai government.

This latest wrangle over the foreign ownership of Universal Insurance (or Paisan Insurance Co Ltd) has been argued, by a senior US Embassy's official, to be a discriminatory policy within Thai law.

The Thai government has rejected Universal Insurance's application to set up branches in Thailand, saying that the company is 99 per cent owned by American investors. Hence, the government considers it to be a foreign company and, as such, has disallowed its application to open more branches. US officials, however, insist the Thai government should give the company the same rights as other Thai companies on the grounds that the company is incorporated in Thailand, thus, it is Thai.

"(The question is) How do you determine the nationality of a company? In the US we consider nationality as the place in which it is incorporated," said a senior US Embassy official in Bangkok.

The issue was rekindled on Thursday when US Ambassador David Lambertson asked Commerce Minister Uthai Pimchaichon to allow Universal Insurance to open more branches in Thailand. Thai officials say the ministry is unlikely to comply with the company's request, even though the United States cited the 1966 Thai-US Treaty of Amity as grounds for objection to the prohibition of US insurance companies entering the Thai market.

The Treaty states that Americans or US companies should, in most occupations including the insurance business, be given the same rights as Thais or Thai companies. The rights are prohibited to other nationalities. But Thai officials say their US counterparts should not cite the Treaty of Amity in this matter, because Thai insurance firms have never exercised their rights under the Treaty.

Commerce Minister Uthai Pimchaichon said on Thursday that the government would have to examine whether America grants the same rights to Thais as its own people in the insurance sector before it would consider allowing Universal Insurance Co to open more branches.

The Universal Insurance's proposal was rejected once before during former Commerce Minister Amaret Silaon's tenure. He claimed the proposal contravened the Insurance Law 1992, which stipulates that the foreign insurance companies are not allowed to open more branches. But a senior US Embassy official argued that Universal Insurance Co. established in 1952, is a Thai-incorporated firm owned by American shareholders, the AIG Group. Since 1973 Universal Insurance has conducted all of its business in Thailand through 11 offices. The US official added that, under 1992 Insurance Law all Thai companies must obtain ministerial authorization to convert such offices into official branches.

"Other Thai companies has been granted permission, if Universal Insurance does not receive it, it will be obliged to close the offices through which it has done business for 20 years," he said.

"In discussions with the Thai commerce minister, the US has not sought anything new but is seeking a continuation of the status-quo which existed prior to the passing of the Insurance Act".

The official asked the Thai government to give careful consideration to the Universal Insurance proposal: "This is a unique case. There are no other Thai insurance companies owned by foreigners," he said. He added that the company's ownership arrangement pre-dated the insurance act and the Thai government had indicated that its policy was to supervise existing companies.

"The US believes that forcing a long-term investor to close its existing offices would not be a good signal to the international investment community," he said.

A senior Commerce Ministry official said that the Thai government has to examine various items of Thai legislation before making a ruling on the dispute. For instance, he said, one article under the Revolutionary Council Announcement No 281 demands any company with more than a 51-per-cent foreign holding report its shareholding structure to government officials.

"But the company did not report the shareholding structure when the acquisition took place," he said.

Thai officials are also afraid that if the Universal Insurance Co is allowed to open branches, Thailand's insurance sector could be monopolized by a small group of investors.

AIA now has a 40 per cent plus market share in the local insurance sector. Universal Insurance and New Hampshire Insurance, the other AIA subsidiaries, have a combined total of more than 4 per cent bringing the total share to almost 50 per cent.

House of Representatives Passes Budget Bill

BK2702073393 Bangkok Radio Thailand Network in Thai 0000 GMT 27 Feb 93

[Text] The extraordinary session of the House of Representatives for the deliberation of the second and third readings of the draft 1993 budget bill was held for the third day yesterday. The session opened at 1035 and continued without interruption. Most of the opposition and government MP's who took the podium were critical of the objectives of budget allocations. However, the representatives approved the budgets allocated to various ministries, starting with Article 9 of the draft bill on the budget for the Agriculture and Cooperatives Ministry down to Article 30. MP' at the session spent hours debating each article prior to its endorsement. A few MP's raised irrelevant issues when they were allowed to speak and had to be cautioned by the session chairman at the request of some other MP's who feared that such practices would waste more session time.

Eventually, the House of Representatives voted unanimously in favor of the draft bill at 0150 on 27 February.

The House Budget Scrutiny Commission proposed that the annexation of the draft budget bill be deliberated this afternoon. However, House Speaker Marut Bunnak and government MP's wanted this portion of the draft legislation to be passed immediately. The house speaker then requested that the session participants debate the annexation item by item. At 0245, opposition MP's staged a walk-out protest but their number did not affect the session's quorum. The session proceeded amid periodical verbal protests from opposition MP's and was adjourned at 0340.

In his address prior to the session adjournment, Prime Minister Chuan Likphai thanked the House of Representatives for passing the draft bill and for offering useful suggestions and advice for the government in allocating spending of the 1993 budget for the administration of the country.

House Session Closes; Opposition Leaders React

BK2702144593 Bangkok Army Television Channel 5 in Thai 1200 GMT 27 Feb 93

[Text] The extraordinary session of the House of Representatives was closed suddenly on its fourth day. The house was originally scheduled to convene at 1300 today. As the number of the MP's attending the session did not reach the quorum of 181, the opening of the session had to be delayed by one hour. House Speaker Marut Bunnak proposed the appointment of the house commission for tourism before the debate on the urgent motions. The opposition demanded that the motion on FCI [First City Investment] company be discussed first, while the government wanted the debate to be conducted according to the agenda. Marut Bunnak called for a vote on the priority list of the agenda after he failed to control the session. The opposition disagreed with the house speaker and staged a walk-out in protest. The house speaker therefore ordered the session closed because the number of MP's attending the session did not fulfill the quorum.

[Begin recording] [Banhan Sinlapa-acha, secretary general of the Chat Thai Party] I do not why the government is so afraid of the motion on FCI. It is true that the issue can affect the stability of the government or the stock market. But I told them that we will try to not go beyond the limit.

[Chaloem Yubamrung, leader of the Muanchon Party] The mass media should be able to judge the sincerity of the government in dealing with the problem of FCI. Is it true that it is clear enough to handle this issue? The finance minister told the opposition just a moment ago that he was ready to provide a full explanation. But he is not here now. [end recording]

Opposition MP's attempted to ask Marut Bunnak to open the debate outside the house extraordinary session but the latter did not give them any reply. Opposition leaders including Police General Praman Adireksan, leader of the Chat Thai Party, criticized the closure of the house session and said the Government was trying to protect the FCI Company.

Chuan: Opposition Walkout Due to 'Frustration'

BK0103021593 Bangkok THE NATION in English 1 Mar 93 pp A1-A2

[Text] Prime Minister Chuan Likphai yesterday criticized opposition MPs for failing to come to terms with their inability to form a government, saying their "frustration" caused them to walk out of Saturday's extraordinary session of Parliament.

The boycott stripped the opposition of any chance to attack the government during the special session, initially scheduled to last until tomorrow, House Speaker Marut Bunnak said.

They would now need the support of at least one-third of MPs and senators to have the House of Representatives recalled to a new extra-ordinary session.

Chuan said a royal decree that will end the special parliamentary session on Wednesday had already been issued.

Chairing a caucus of his Democrat Party, Chuan said the opposition walkout stemmed from "disappointment and changes of status" following last September's general elections.

The opposition parties formed the military-backed Suchinda government which crumbled after the bloody political crisis last May.

"Polarization that followed the September election fulfilled some parties' hopes while disappointing the others. Changes of status and frustration resulted in incidents like yesterday's," Chuan said.

Opposition MPs stormed out of the assembly hall just one hour into Saturday's meeting after being outvoted by the government in their unsuccessful attempt to seek an urgent debate on the First City Investment Co's financial crisis. The government insisted that the FCI issue should follow the original agenda, which already included four opposition motions on four other emergency issues.

Chuan said the government had been broad-minded in allowing lengthy debate on the Budget Bill.

Today the Senate is scheduled to use the assembly hall to consider the Budget Bill, passed on Saturday by the House before the fiasco. Tomorrow is set for the weekly Cabinet meeting.

Marut, a Democrat, deplored the walk-out as an overreaction. "The dispute was over a very trivial matter. But the government and opposition couldn't agree. I think [the boycott] is a very rash act," he said.

After the abrupt end of the meeting on Saturday afternoon, Marut allowed the opposition to use the assembly hall to launch its own debate against the government on the FCI issue.

"We give the opposition what we can give. But when it comes to conflicts, they should be solved through resolutions of the House majority," Marut said.

Government whips yesterday denied that the coalition had broken its pledge to allow the FCI debate.

"The opposition leaders failed to honour a deal so they can't blame it all on the government," said PM's Office Minister Thoedphong Chayanant, head of coalition whips.

He insisted it was initially agreed that after the budget debate the House would consider the labour ministry bill and an ad hoc committee's report on proposed amendments to the delayed third party insurance law before taking up the opposition motions. The FCI motion was at the end of the agenda, he added.

Due to Saturday's uproar, the bill to set up the labour ministry will have to be considered at the regular parliamentary session which begins in May. The government, meanwhile, will have to enforce the insurance law, which provides for compulsory third party insurance for motorists, without House approval of proposed amendments setting lower premiums.

The government denied that Saturday's boil-over was brought on by its own political gamesmanship aimed at avoiding the FCI issue, which could embarrass a fommer Democrat leader.

"The government never broke its promise. We have been the giver all the time," said Phichet Phanwichatikun, secretary of the coalition whip committee. He said the government had been prepared to answer the opposition's questions with fresh information from the Bank of Thailand, the Finance Ministry and the stock market.

Government leaders yesterday criticized an opposition MP for his "parting shot" remark during Saturday's walkout.

"You call this democracy? The military might as well stage another coup," fumed Buri Ram MP Chai Chitchop of the Chat Thai Party as he left the assembly hall. Other opposition MPs also shouted abuse as they left.

Deputy Commerce Minister Churin Laksanawisit said anyone making such a remark had an empty head.

Military Official Comments on Stingray Tank Defects

BK2802033293 Bangkok BANGKOK POST in English 28 Feb 93 p 4

[Text] More than half the Army's fleet of 104 Commando Stingray light tanks have cracks believed to be caused by the 105mm L-7 guns being too powerful for the armour plating, according to a cavalry officer.

The officer, who declined to be named, said that 59 of the US-made tanks have cracks, an increase from 44 as earlier reported.

All the tanks which have problems are deployed in the 6th Cavalry Battalion based in Khon Kaen and the 26th Cavalry Battalion based in Phetchabun.

Both are under the the 1st Cavalry Regiment of the 2nd Cavalry Division.

The officer said the Stingray light tank weighs only 22 tons compared with the standard M48A5 medium tank which weighs about 48 tons. Each is equipped with a 105-mm gun.

"From our conclusion, the tank's 105-mm L-7 gun, which is known as the low recoil force (LRF), is so powerful that it causes cracks in the tanks," said the officer. The same gun has never caused problems for the M48A5 tanks.

"You can clearly see the difference in the metal used in the two models," he said.

Cavalry officers were frustrated when the Army bought the tank fleet in 1987 because it was a prototype.

"We are the first country to buy (Stingrays) and now we have learned a painful lesson for making such a decision," he said.

The Army bought 106 Commando Stingray light tanks from the Cadillac Gage Company for about 4,200 million baht at the time when Gen Chawalit Yongchaiyut was Army commander-in-chief.

The last installment of 500 million baht was paid in November.

Former defence permanent secretary Gen Wanchai Ruangtrakun, then deputy Army commander-in-chief, chaired a committee to study the tank before the purchase.

A senior Army officer claimed earlier that the Stingray had performed perfectly during the Army's toughest test over all types of terrain.

The test was made before the contract was finally completed. The cavalry officer said he is concerned about whether the tanks will be able to perform well after repairs. He predicts more tanks will develop the problem.

In one of the "problem" tanks, the crack between the road wheels and support rollers is so big that the tank driver can be seen, the officer said.

Mechanics were sent from Cadillac Gage to repair the cracks this month. The tanks which were repaired are undergoing tests at the Cavalry Centre in Saraburi and have passed the first 500km run test without any problem, he said.

"The next step will be test-firing with the 105-mm gun to find out whether there will be any problem."

The officer doubts whether the company will take responsibility to repair all the tanks because the one-year warranty has passed.

Army Commander-in-Chief Gen Wimon Wongwanit has ordered a committee be set up to look into the case.

One officer close to Gen Wimon said the Army chief is unhappy about the problems but it is unlikely the probe team will go deep into the issue to "nail" anyone in particular.

The officer said the Stingray deal appeared to be have been made in a hurry and not even the Office of the Judge Advocate-General had seen the contract.

Official Suggests 'Tough Measures' on Copyrights

BK0103025793 Bangkok BANGKOK POST in English 1 Mar 93 p 32

[Text] Thai commercial counsellor office in Washington suggested that the Thai government introduce some tough measures to enforce copyright protection law in order to avoid trade retaliation from the United States.

Thai commercial counsellor, M.R. Nabthong Thongyai's suggestion had been forwarded to the Commerce Ministry's Permanent Secretary office in Bangkok after M.R. Nabthong acknowledged that South Korean Foreign Minister Yi Sang-ok had reported its progress in dealing with the copyright piracy with US Ambassador Donald Gregg.

The US tapes, films and computer software manufacturers had petitioned the US Trade Representative (USTR) claiming that South Korea and other 27 countries including Thailand did not have sufficient laws to protect US intellectual property rights and had requested the USTR to impose trade retaliation under the "special" section 301 provisions of the 1988 US Trade Act.

In case of Thailand, the US had claimed that the country did not have tough measures to enforce the copyright protection law resulting in rampant piracy of audio and visual tapes which created huge losses to the US manufacturers.

Since April 1991 the US had put Thailand on the list of priority foreign country (PFC), meaning that Thailand had practised unfair trade against the US and faces retaliation. The US Government will announce on April 30 its annual findings and probably will impose some retaliatory measures against Thailand.

M.R. Nabthong reported that South Korean foreign minister told Washington that President No Tae-u had already instructed the Cabinet to work out a plan to crack down on piracy and amend its regulations both in civil and criminal as a basis preparation for the crackdown.

The South Korean government disclosed that it plans to hire more than 500 officials for each prosecutor office to deal with the crackdown which will commence immediately until April 30.

The South Korean prosecutor office said that the US officials and tapes, films, and video tapes manufacturers had expressed their satisfaction with the action taken by the Seoul government.

M.R. Nabthong said as Thailand is in the same situation as South Korea which depends a lot on its exports to the US and gains the balance of trade, the Thai government should do something to show that Thailand is ready to cooperate with the US in solving the piracy problem otherwise it may certainly face retaliation from the USTR.

The Commerce Ministry's source said the action that the USTR could take against Thailand is to withdraw import duty exemptions under the Generalised System of Preferences or increase import duties on selected products.

He said South Korea may not face US trade retaliation because it had adapted itself to comply with the US demand. If Thailand fails to act now it will certainly face retaliation because the US wanted to make Thailand an example for other countries and to show to the US public that new Clinton administration was willing to take a tough stance to protect its copyrights.

Foreign Minister's China Visit Previewed

BK2802025493 Bangkok THE NATION in English 28 Feb 93 p A3

[Text] Foreign Minister Prasong Sunsiri is expected to seek Chinese approval for a transport route connecting Thailand with Burma and South China to facilitate economic growth in that part of the region.

The project is included in the government's plan to develop a new economic growth area encompassing northern Thailand, Burma, Laos and South China, Prasong told reporters yesterday before departing for a five-day official visit to Beijing.

Prasong said he would also raise a proposal forwarded by the Thai private sector on increasing the number of flights and routes to cities in northern Thailand and various destinations in China's southern region.

The director general of the Foreign Ministry's Economics Department Sawanit Kongsiri said earlier in an interview with THE NATION that the transport project involved improving the existing 240-km-long winding and potholed road linking Chiang Rai province with Chiang Tung in the Eastern Shan state of Burma and China's southern province of Yunnan.

Under the project, the first 160 km sector between Chiang Rai and Chiang Tung would be jointly developed by Thailand and Burma with the second stretch reaching Yunnan undertaken by Burma and China, according to Sawanit.

Sawanit said a recent visit by a Thai delegation found that Shan state authorities wanted to reconstruct the route on their own but needed financial and material support namely tar and bulldozers from Thailand.

Thai investors have expressed interest in funding the reconstruction of the route, he said, adding that the terms and conditions still had to be discussed among the three parties.

China's policy to open its doors to the South in the past two years has created vast potential for investment, trade and tourism there.

Prasong said he would also discuss with Chinese leaders a proposal to expand existing cooperation among the Mekong states on the utilization of water resources to include economic development and tourism.

China and Burma are upstream nations but so far have not joined the Mekong Committee founded in 1957 by the four downstream countries of Thailand, Laos, Cambodia and Vietnam.

The minister was expected to meet with his Chinese counterpart Qian Qichen yesterday and Prime Minister Li Peng today before departing for Khunming town in Yunnan to explore investment opportunities for Thai traders.

Foreign Minister Prasong said yesterday he would exchange views with Chinese leaders on the run-up to Cambodia's general election scheduled for late May and its aftermath.

Though his trip was aimed at strengthening economic ties with Beijing, the Cambodian problem would continue to be a matter of concern for both countries.

"The situation in Cambodia is now worrisome and precarious," said Prasong.

Despite the imposition of UN trade sanctions against them since January this year, the Khmer Rouge continued to ignore the May election, placing the country on the verge of of partitioning.

The Maoist group's hostile acts against the UN peacekeepers has become the main item in the daily briefing given by the UN Transitional Authority in Cambodia.

Both China and Thailand have been co-players in the Cambodian peace efforts and backed the Khmer Rouge as the main force of the guerrillas resistance in the fight to topple Phnom Penh.

But Beijing's recent hands-off policy on the Cambodian problem, especially its decision not to exercise its veto against UN trade sanctions on the Khmer Rouge disappointed Thailand, which bore the brunt of the impact.

However the Khmer Rouge's continued defiance of the UN peace plan has given rise to suspicions that China might still be pulling the strings.

Premier Receives RENMIN RIBAO Delegation

BK2602104193 Bangkok ZHONG HUA RIBAO in Chinese 26 Feb 93 p 6

[Text] A delegation from China's RENMIN RIBAO led by Deputy Editor-in-chief Zhong Mengxiong yesterday held talks with Prime Minister Chuan Likphai on Sino-Thai economic cooperation and its close relations. The subject of the Dalai Lama's recent visit to Thailand was not raised at the meeting.

Prime Minister Chuan yesterday received the visiting delegation from China's RENMIN RIBAO at the National Assembly Building. The prime minister told reporters after the meeting that he and the RENMIN RIBAO delegation had discussed Sino-Thai economic cooperation and its long-existing friendly relations. He said that they had neither discussed political issues nor the issue concerning the Dalai Lama's recent visit to Thailand. The prime minister believed that economic and trade cooperation between the two countries will increase in the future.

Burmese Troops Shell Border Village

BK2702015793 Bangkok BANGKOK POST in English 27 Feb 93 p 6

[Text] Tak—A group of about 15 Burmese troops crossed the border into Thai territory yesterday and burned down three huts outside a village, Border Patrol Police [BPP] sources said. While this was happening, Burmese troops on the other side of the border pounded the area with mortar rounds and grenades, the sources said. It is not yet known whether there were any casualties. The Burmese troops were from Palu camp opposite Ban Mae Kon Ken about 20 kilometres south of Mae Sot district town.

At about 2 p.m. these troops crossed the Moei River to a farming area near the village. They opened fire at the huts which started burning.

Meanwhile, Burmese troops on the other side of the border shelled the area with mortar and M79 rounds. After 30 minutes, the Burmese troops went back across the river. A BPP platoon could not get to the area because of the shelling. A village source told the BPP that the attack might have been triggered by some mysterious shooting, directed at Burmese troops and coming from the Thai side of the Moei River.

The troops were delivering logs and preparing wood seized earlier from illegal sawmills, along the Moei River to Myawadi. The Burmese might have mistakenly believed the shots to have come from Karen National Union rebels. It was not known who fired the shots the source said.

Meanwhile Tak governor Prathip Ngamnin, Task Force 34 commander Col Suwit Maenmuan and his deputy Col Witchu Saengduan have been to Myawadi to negotiate with the Burmese authorities. Burmese troops have failed to release five Thais from Tha Song Yang District who were arrested on Sunday. The governor's party included four relatives of the arrested. The results of the negotiations are not yet known.

Arms Smuggling in Border Areas Discussed

BK2802023493 Bangkok THE NATION in English 28 Feb 93 p A7

[Text] The Thai-Cambodian border has always been known as the biggest arms bazaar in this country, where you can get an M-16 assault rifle for as cheap as Bt [baht] 1,OOO and where ammunition is sold by the kilo.

The signing of the Paris Peace Accord by the warring Cambodian factions in 1991 led to a general disarming. Under the peace agreement, 70 per cent of the armed forces of each faction were to be demobilized and their weapons turned over to the UN Transitional Authority in Cambodia (Untac).

But in reality, many of the weapons used by Cambodians to kill each other have ended up in the hands of arms smugglers on the Thai-Cambodian border. Thai army and border patrol police sources said the peace treaty has released a new flood of war weapons into Thailand.

Marauding bands of Cambodian bandits also use the weapons in crossborder raids into Thailand.

The sources said the smuggled weapons are usually sent to the various minority armies fighting the Burmese government along the Thai-Burmese border in the west and north.

"The Cambodians need the money after the demobilization while the minority people in the west need funds to carry on their fight with Rangoon," said one of the sources.

Thai smugglers, with the support of corrupt officials and influential figures, serve as middlemen.

The sources said Thai villagers living along the Thai-Cambodian border normally play the role of "brokers" because of their familiarity with the terrain and the various Cambodian factions on the other side of the border.

Despite the supposedly tight security along the border, huge volumes of war weapons can easily find their way out of the border areas—in many cases with the connivance of local authorities.

The sources disclosed that smuggling is usually done with pick-up trucks. Since these types of vehicles are popular with farmers for transporting their produce in the border areas, those carrying illegal firearms cannot be easily detected.

"One of the most common practices is for the smugglers to hide their arms cache under farm produce," said one of the sources.

They said sometimes the smugglers even camouflage their trucks to make them look like government vehicles to avoid detection. It is also not unusual that some "men in uniform" would accompany some of these trucks to make sure that no local authorities meddle with them.

The people who run the smuggling rings are local influential figures. The smuggled weapons are also bought by drug trafficking gangs and gunmen working for Mafia-type gangs.

The sources said the most common routes for gun-running are through Ta Phraya and Aranyaprathet districts of Prachin Buri, and Pong Nam Ron district of Chanthaburi.

A source in a border patrol police intelligence unit told THE NATION that more than 90 per cent of the war weapons seized by government authorities came from areas opposite Aranyaprathet.

"And 60 per cent of the suspects arrested turned out to be either policemen or soldiers," the source said.

But there have been no reports so far of the involvement of high-ranking officials, though a source insisted that the smuggling of war weapons would be impossible without the tacit endorsement of certain senior local authorities.

He said the most common types of war weapons smuggled from the Thai-Cambodian border and sold to Burma's minorities are US-made M- 16 and Chinese-made AK-47 assault rifles, rocket-propelled grenade launchers, hand-grenades and mortar shells.

"Based on market prices, the amount of war weapons seized by government authorities last year was estimated to be worth over Bt80 million," said the source.

Most of the seizures of war weapons last year took place in Chiang Mai, Tak, Mae Hong Son and Chiang Rai. These provinces in the northern border of Burma have served as transit points for weapons smuggling.

Arms smuggling has been a lucrative business because the minority armies are willing to pay the right prices, and promptly. "Besides, they always buy in large quantities," said one of the sources.

Vietnam

Radio Interviews U.S. Talks Delegate

BK2702093593 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 25 Feb 93

[Unidentified station correspondent's interview with Professor Vu Huu Ngoan, member of the Vietnamese delegation to the 8-12 February "Dialogue on U.S.-Vietnamese Relations" in Hawaii; place and date not given—recorded]

[Summary] "As already reported, a dialogue on U.S.-Vietnamese ties was held in Lanai, Hawaii, the United States, from 8-12 February with the participation of many politicians, socialogists, economists, and scientists from the two countries. At the dialogue, the two sides exchanged views on the normalization of U.S.-Vietnamese relations and other related issues."

A Radio Voice of Vietnam correspondent has the following interview with Professor Vu Huu Ngoan, vice director of the Vietnam Institute for the Studies of Marxism-Leninism and Ho Chi Minh Thought and member of the Vietnamese delegation to the dialogue. The interview is on the significance of the dialogue:

[Correspondent] What do you think about the remarks from the international press that the dialogue has positively contributed to enhancing mutual understanding between Vietnam and the U.S.?

[Vu Huu Ngoan] Just like what you say. "Public opinion viewed this dialogue as one with positive results. The dialogue was conducted in a frank manner."

Many statesmen, scholars and businessmen attended the dialogue. "Not all the views expressed were totally identical. There were many differing views and concepts over the question of Vietnamese-U.S. ties. Differing views were noted not only between American and the Vietnamese interlocutors, but also among the Americans themselves. That is why we tried to keep in touch with our interlocutors to hear as many of their opinions as possible. Both sides eventually reached some mutual understanding and that rapproachment was noted on various issues as part of an effort to achieve reconciliation and to proceed toward normalizing relations."

[Correspondent] What are the differing views from the U.S. side?

[Vu Huu Ngoan] You have asked a very good question. "The majority of the Americans attending the dialogue realized the inevitability of the normalization of relations, viewing this as an irresistible trend in the current stage, especially when the cold war is already over. They also believe that the lifting of the embargo against Vietnam by the U.S. administration was inevitable. However, apart from these majority of views, a small number of American friends set conditions for the lifting of embargo and for the normalization. This was partly due to a lack of information on the part of the Americans and also their being heavily preoccupied with the past—a failure to disassociate themselves from the past and look toward the future. Their political stance was rigid."

We also argued with these American friends over "why they tried to revive this matter while the Bush administration's road map did not. Of course, Vietnam does not agree with the Bush administration's road map as it was a unilateral decision."

The Vietnamese raised the issue of "the Americans usually laying emphasis on the general value of humanity. But at present, the humanity issue cannot go beyond the realm of a nation and state control. Therefore, humanity is not something abstract that hovers in the air but rather placed under the jurisdiction of each relevant country and each people." "Calling for the normalization of relations between nations with conditions attached is not suitable to the current pattern of mankind's activities."

We further clarified with our American friends that economic reform and the broadening of democratic activities in society are now at the heart of Vietnam's renovation policy, and that democratic activities have been substantially improved in Vietnam over the past few years in line with our party's renovation policy.

We also told them that "democracy in the U.S. may differ from Japan, that democracy in Japan may differ from China, and that democracy in China may differ from Vietnam, and so forth. And you, friends, should study further to understand the Vietnamese situation as we are trying to improve the people's intellectual standard, a premise that will increase democratic activities in society."

We also explained to them as they had earlier failed to fully understand our policy that "we are carrying out renovation, especially economic renovation, on the basis of political stability."

"Some American friends advocated not investing in Vietnam on the grounds that the U.S. itself still has economic difficulties and unemployment. However, other American interlocutors view this advocacy as narrow-minded."

[Correspondent] Could you give your impression of this dialogue?

[Vu Huu Ngoan] "This dialogue was conducted in a frank manner. This was the fourth and not the first dialogue. Unlike previous ones conducted in other countries, this dialogue was held on U.S. soil. I privately told my American interlocutors that Hawaii lies on the same latitude as Hanoi. Its climate is similar too. I meant this both literally and figuratively, referring to the mutual struggle of the American and Vietnamese peoples in asking the U.S. Government to meet their objective demand and aspirations to promptly proceed toward the normalization of U.S.-Vietnamese relations."

[Correspondent] Thank you, comrade.

Embassy Denies KR Charge on Forces in Cambodia

BK2702150993 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 27 Feb 93

[Text] On 27 February, the spokesperson of our embassy to the Cambodian Supreme National Council, SNC, issued a statement denying the allegation of the Khmer Rouge [KR] spokesperson at the 26 February news conference in Phnom Penh that Vietnam has just formed special forces in Cambodia.

Our embassy spokesperson again confirmed that Vietnam withdrew all its forces from Cambodia since September 1989. Since then, it has never sent any Vietnamese troops or arms to Cambodia.

The statement clearly says that the devious allegation of Khmer Rouge about the so-called Vietnamese special forces in Cambodia is aimed at concealing their activities to sabotage the Paris Agreement on Cambodia that have been strictly condemned the public.

Economic Relations With South Korea Viewed

BK2702135493 Hanoi Voice of Vietnam in English 1000 GMT 25 Feb 93

[Station commentary]

[Text] Recently, progress has been achieved in the relations between Vietnam and the Republic of Korea. This positive step conforms to the common trend of peace, cooperation, and mutual development in the world community. Nevertheless, the most important point is acknowledgement of the necessity of cooperation with Vietnam by the state leaders and business circles in the Republic of Korea.

Mr. (Kim Song-ha), chairman of the Republic of Korea-Vietnam Economic Cooperation Committee, said in Hanoi early this month that he was very happy to learn that Vietnam has been implementing ample steps toward the market-oriented economy and its open-door policy for more foreign investment in the country.

Meanwhile, the business circles in the Republic of Korea maintained that Vietnam's economic renovation and new policy have gained significant progress. They described Vietnam as a promising market and voiced their support for bigger economic cooperation between the two countries.

For his part, Mr. (Kang Heung-wu), director general of the Regional Research Center of the Institute of International Economic Policies of the Republic of Korea, noted that Vietnam will succeed in combining different economic sectors in the framework of market economy and achieve much progress without any political change.

The business circles of the Republic of Korea further noted that achievements recorded by the Vietnamese people brought about good conditions for the development of economic cooperation between the two countries. And the recent visit to the Republic of Korea by the Vietnamese foreign minister proved that bilateral relations between the two countries will further develop.

Rice Exports Increasing After 1989 'Turning Point'

BK2802064893 Hanoi VNA in English 0604 GMT 28 Feb 93

[Text] Hanoi VNA Feb. 28—1989 marked a turning point in Vietnam's economy, especially in export trade. For the first time in 15 years, in 1989 Vietnam exported more than 1.37 million tonnes of rice to become the third biggest rice exporter after Thailand and the United States.

From 1989 to 1992 Vietnam exported nearly six million tonnes of rice valued at more than one billion US dollars. The quality of export rice has increased year after year alongside its price which has now almost caught up with that of Thailand's export rice. Main outlets of Vietnam's rice export were African and Asian countries, accounting for about 70-90 percent of the total rice export. The rest was exported to the Middle East, Europe, and elsewhere.

In an interview with the national daily 'NHAN DAN' on Feb. 6 Mr. Nguyen Cong Tan, minister of agriculture and food industry, stressed the need to continue renewing policies on agriculture to achieve higher quantity and quality in food production aimed at ensuring the people's living conditions, materials for industry and high export value [sentence as received].

To stabilize rice export level at more than two million tonnes per year, the government will enact a number of new policies such as alloting rice land to farmers for long-term use, investment in infrastructural constructions and expanding agricultural credits. More investments will be made for the purchase and preservation of food, in processing rice for export, incentive prices will be paid to high quality rice, and the rice export companies will be helped to broaden and stabilize their overseas markets.

Over the past four years food production in Vietnam made quite impressive steps forward. In 1992 in particular total rice area rose to 6.43 million hectares, two percent higher than in 1991, and average annual productivity rose to 33.4 tonnes/ha, two tonnes higher than in 1991 and a total output of 24 million tonnes. In the coming years, rice will remain one of Vietnam's main export lines.

Rice Donated to Cuba

BK2602145793 Hanoi VNA in English 1440 GMT 26 Feb 93

[Text] Hanoi VNA Feb.26—The Vietnam Fatherland Front (VFF) Central Committee and the Vietnam-Cuba Friendship Association held a ceremony here today to conclude the campaign for '10,000 tonnes of rice for the Cuban people' at which it made a token presentation of the gift to the Cuban ambassador to Vietnam.

Present at the ceremony were Nguyen Huu Tho, chairman of the Presidium of the VFF Central Committee, Hong Ha, secretary of the Party Central Committee and head of the Party Central Committee's External Relations Committee and Nguyen Cong Tan, president of the Vietnamese section of the Vietnam-Cuba Economic and Scientific-Technical Cooperation Committee.

Cuban ambassador Tania Maceira was also present on the occasion.

Speaking at the ceremony, Chairman Nguyen Huu Tho reaffirmed that solidarity with and assistance to the Cuban people always remain the Vietnamese people's principled position which also reflects their gratitude to the Cuban people for their strong support to the Vietnamese people in national defence and construction.

Condolences Sent to Laos on Sisomphon's Death

BK2802071693 Hanoi VNA in English 0630 GMT 28 Feb 93

[Text] Hanoi VNA February 27—The Central Committee of the Communist Party of Vietnam today extended its condolences to the Central Committee of the Lao People's Revolutionary Party, over the death of Sisomphon Lovansai, advisor to the Lao party Central Committee, former Politburo member of the party Central Committee and vice president of the Supreme People's Assembly. The message praised Sisomphon Lovansai as an "outstanding son of the Lao nation" and "a close friend of the Vietnamese people who actively contributed to the consolidation and development of the special relations of friendship and solidarity between the parties and peoples of Vietnam and Laos".

All-China Trade Union Delegation Visits 22 Feb

BK2602091393 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 22 Feb 93

[Text] A delegation from the All-China Federation of Trade Unions on 21 February is paying a friendship visit to our country at the invitation of the Confederation of Vietnamese Workers. The delegation was led by Comrade Ni Zhifu, member of the Chinese Communist Party [CCP] Central Committee, head of the All-China People's Congress Standing Committee, and chairman of the All-China Federation of Trade Unions.

On the morning of 22 February, a Confederation of Vietnamese Workers delegation headed by Comrade Nguyen Van Tu, member of the Communist Party of Vietnam Committee and chairman of the Confederation, held talks with the All-China Federation of Trade Unions in Hanoi.

The two sides informed one another of the socioeconomic situation in each country and the initial results obtained by Vietnam in its renovation since the Seventh CPV Congress, as well as by China in its reforms since the 14th CCP Congress of the Chinese Communist Party.

The two sides also exchanged views on experiences in trade union activities and the possibility of cooperation between trade unions of the two countries in the days ahead. The visit of the delegation of All-China Federation of Trade Unions will last until 27 February.

Meets Nong Duc Manh

BK2602155793 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 25 Feb 93

[Text] A delegation of the All-China Federation of Trade Unions has visited Vietnam since 21 February at the invitation of the Confederation of Vietnamese Workers. The delegation was led by Ni Zhifu, member of the Chinese Communist Party Central Committee, vice chairman of the Standing Committee of the Chinese National People's Congress, and chairman of the All-China Federation of Trade Unions.

During its stay in Vietnam, the delegation paid a floral tribute to President Ho Chi Minh at his mausoleum and held talks with a delegation of the Confederation of Vietnamese Workers led by its Chairman Nguyen Van Tu.

During the talks, the two sides expressed their wish for furthering the solidarity and cooperation in the field of trade unions so as to contribute to consolidating and strengthening the friendship between the peoples of Vietnam and China.

On the afternoon of 24 February at the Presidential Palace, the delegation was received by and had cordial talks with Comrade Nong Duc Manh, member of the Communist Party of Vietnam Central Committee Political Bureau and chairman of the SRV National Assembly.

Chairman Nong Duc Manh said: This visit by the delegation is of great significance to the task of strengthening the friendship between workers and trade unions of Vietnam and China. The peoples of the two countries share many things in common. Therefore, the exchange meetings or visits of various delegations is enormously benificial to both countries.

Chairman Ni Zhifu said he was glad to visit Vietnam and to see the Vietnamese people's achievements in their renovation process. He also expressed his wish for the strengthening of cooperation and exchange of experiences in the field of trade unions, saying that this is because China and Vietnam are in the process of reform and renovation and are following open-door policies, and that both are developing their economies under a market-oriented system and are enjoying many things in common.

Chairman Ni Zhifu conveyed Chairman Wan Li's regards to Chairman Nong Duc Manh.

Conference Held on Propaganda, Education Tasks

BK2602143193 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 24 Feb 93

[Text] In the three days from 22 to 24 February, the Party Central Committee's Department of Ideology and Culture, and Department of Science and Education, together with Ministry of Culture and Information, jointly held in Ho Chi Minh City a National Conference on Propaganda and Education, to review and evaluate propaganda and education tasks in 1992, and to discuss orientations and plan for propaganda and education tasks in 1993.

Attending the conference were many representatives from various ministries, departments, sectors, and mass organizations at the central level, heads of propaganda and education sections of 53 provinces and cities nationwide, editors-in-chief of a number of press, radio, and television agencies at both central and local levels.

Speaking on behalf of the Party Central Committee's Ideology and Culture Department, Comrade Ha Dang presented a report on the ideological situation and tasks in 1992, which read: "The year 1992 is the second year of the implementation process of the resolution of the Seventh Party Congress. The renovation undertaking led by our party has been constantly developed. Significant successes which are relatively comprehensive on all areas have been scored, especially on the socioeconomic field. However, we still had to confront many harsh ordeals, as results of complicated developments in the international situation, and sabotage activities of reactionary forces. We are trying hard to overcome the domestic economic difficulties and the negative effects of the market economy."

On orientations for tasks in 1993, the report pointed out: "Ideological and cultural activities in 1993 should be directed to ensure thorough understanding and satisfactory implementation of the resolution of the Seventh Party Congress, and other resolutions of the Party Central Committee. The main tasks are: to continue the development of theoretical work alongside with practical work; to provide further training so as to heighten political knowledge of cadres, party members, and people; to build up confidence and determination in revolutionary ideals; to be steadfast on targets and advancement of socialism; to enhance education in patriotism and nationalism consciousness; to advance the production and antiwaste movement."

After the contributions of over 20 representatives from various agencies and localities on ideological tasks, conference attendants listened to directive speeches of Comrade Nguyen Van Linh, Party Central Committee advisor, and Comrade Nguyen Duc Binh, Party Central Committee Politburo member, who talked about propaganda and education tasks in the current situation.

Ministers Attend Light Industry Exhibition

BK2602150593 Hanoi VNA in English 1447 GMT 26 Feb 93

[Text] Hanoi VNA Feb. 26—The International Light Industry Exhibition-93 was opened here today with the participation of more than 70 companies from 14 countries.

Present at the opening ceremony were Vice Premier Tran Duc Luong, Minister of Light Industry Dang Vu Chu and representatives of the German, Italian, Australia and Indian embassies.

The exhibition incorporates three exhibitions, one on technology, equipment and packaging of food industry (Food-pack 93), another on light industry machine and equipment (Limac 93) and the third on textile technology and garments (Vietnamtex 93).

The Vietnamtex exhibition draws the governmental level participation of Italy and Germany represented by the Italian Overseas Trade Association (ICE) and the Machinery Production and Workshop Association (VDMA).

Vice President Meets Philippine Parliamentarians

BK2602151793 Hanoi VNA in English 1452 GMT 26 Feb 93

[Text] Hanoi VNA Feb 26—Vice President Madame Nguyen Thi Binh received here today the parliamentary delegation of the Philippines led by Mrs. Ramos Sahana which is attending the Asian Parliamentary Conference on Population and Development held in Hanoi.

Madame Nguyen Thi Binh said that Vietnam and the Philippines now have more conditions to become closer, to share experiences both of success and failure for national advancement and to contribute to the cause of peace, stability and cooperation among nations in Southeast Asia and the Asian-Pacific region.

Present at the reception were Mrs. Nguyen Thi Than, head of the Social Affairs Commission of the National Assembly and chairwoman of the Vietnam Association of Parliamentarians on Population and Development and Philippine Ambassador to Vietnam Francisco Santos.

Australia

Jan Deficit Shows 'Dramatic Improvement'

BK0103075093 Melbourne Radio Australia in English 0500 GMT 1 Mar 93

[Text] There's been a dramatic improvement in Australia's trade position according to the latest monthly statistics. Mark Tamhane reports the nation has recorded its lowest monthly deficit for five years.

[Begin Tamhane recording] In seasonally adjusted terms the current account deficit in January fell 55 percent to $489 million. The dramatic fall was largely caused by an increase in Australia's merchandised trade surplus. Exports rose 3 percent, while imports continue their fall; this time they were down 7 percent.

While monthly trade statistics are volatile, the figures are good news for the ruling labor government of Prime Minister Paul Keating. He is facing election in two weeks. Mr. Keating says the figures show that the Australian economy [words indistinct]. The figures have also been well received on financial markets, with the Australian dollar strengthening. [end recording]

Papua New Guinea

Bougainville Rebels Reportedly Kill 6 Soldiers

BK2502064093 Melbourne Radio Australia in English 0500 GMT 25 Feb 93

[Text] In Papua New Guinea's [PNG] troubled Bougainville island, at least six government soldiers have been shot dead in a clash with the Bougainville Revolutionary Army [BRA]. Sean Dorney reports that the soldiers were killed in one of the bloodiest ambushes of the four-year secessionist war. The PNG troops were ambushed as they were returning to the provincial capital of Arawa from a military camp just outside the town.

[Begin Dorney recording] The soldiers were travelling past the old Arawa Golf Club in the northern outskirts of Arawa when they were ambushed. It was just after dark and when the firing died down, six soldiers were dead, two were wounded, and two were missing. There is no casualty figure available for the BRA. PNG authorities say the soldiers were returning to Arawa from a briefing at the military camp at Tunuru. They are the third confirmed losses for the PNG defense force since it began occupying the provincial capital less than a fortnight ago. [end recording]

Government Says Soldiers' Killing 'Desperate Act'

BK2602084593 Melbourne Radio Australia in English 0500 GMT 26 Feb 93

[Text] The Papua New Guinea [PNG] Government says the latest killing of defense force soldiers in Bougainville island will not deter from moves to restore normalcy to the areas of Arawa-Kieta in central Bougainville. The Prime Minister's Office says the PNG security forces in Arawa will remain there until the crisis is resolved and civilian service return just like on Buka island and the atolls.

National Radio NBC [National Broadcasting Commission] says the Wingti Government views the killing of his soldiers in the latest ambush as a desperate act by the secessionist rebels. The PNG prime minister was commenting on the ambush on the outskirt of the provincial capital Arawa in which eight PNG soldiers were killed and another two wounded by the Bougainville Revolutionary Army [BRA] on Wednesday night. Meanwhile, the BRA says one of its soldier was killed and another wounded in the clash.

Talks With Solomon Islands on Ties Conclude

BK2602120593 Melbourne Radio Australia in English 0803 GMT 26 Feb 93

[Excerpt] Papua New Guinea [PNG] and Solomon Islands have wound up two days of talks in Port Moresby aimed at striking out the relationship between two Melanesian neighbors. Sean Dorney reports that entire news conference called at the conclusion of the talks ranged from the subject such as the anti-PNG activities of the Bougainville secessionist spokesman Martin Miriori in Honiara and an intelligence report (?which) suggesting that the Solomon had acquired ground-to-air missiles to defend its border. The foreign ministers of the two countries gave little [word indistinct]. The PNG Foreign Minister John Kaputin and his Solomon Islands counterpart Duddley Tausinga exchanged letters at the end of talks confirming the need for a bilateral coping between the two countries. The treaty is to be called the Special Agreement Guiding Relations between independent states of PNG and Solomon Islands, and it is expected to be ready for signing by the prime ministers of the two countries before the next setting of the Melanesian spearhead group, which is scheduled for some time in July before the next South Pacific Forum. But neither foreign minister was very forthcoming on the detail of what was discussed. [passage omitted]